

NOVEMBER 15, 1939



TWENTY CENTS

# Sales Management

- ★ The ~~Less-than~~-Absolute Guarantee — Is It Worth a Damn? — By L. F. Dana
- ★ Timely Tips on How to Break into the Limited Price Variety Chain Stores
- ★ What Can We Do to Jack up Jobbers' Salesmen Who Are Neglecting Our Line?
- ★ How the Cranberry Growers Have Lifted Volume and Stabilized Their Markets
- ★ Marketing Pictographs — Significant Trends — Sales Letters — Media News

THE MAGAZINE OF MODERN MARKETING



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Producers*

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**LITHOGRAPH COMPANY • P.O. BOX 513 BOSTON**

NEW YORK • CHICAGO • CLEVELAND • ROCHESTER • DETROIT

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# THE "BABY" THAT WAS LEFT ON A **DOORSTEP**

On a February morning back in 1935, four million families opened their doors to get the Sunday paper—and found more than just a newspaper.

They found a newborn national magazine wrapped inside of it.

Now we know they didn't ask the newsboy to leave that magazine, and they didn't pay extra for it, and so according to the advertising rules, they shouldn't have read it.

But those families weren't up on their advertising rules. They were just ordinary folk. They saw a smart, colorful magazine, so they looked through it. They found it full of top-notch fiction and articles, so they read it.

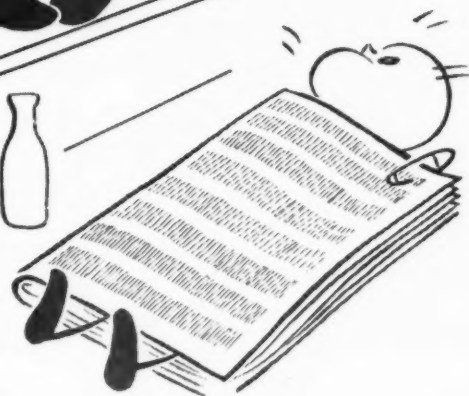
And liked it.

At least, they must have. For when they spread the word around, hundreds of thousands of new readers came to those papers. And when the papers spread *that* word around, other leading newspapers joined their ranks.

In less than 5 years, that "doorstep baby" has grown into a giant of the magazine field. Through 24 great newspapers, it now reaches 5½ million big-city homes. And the latest surveys say it's read regularly in 94% of them.

★

THIS WEEK MAGAZINE started out as all good media must—to serve the reader. And by doing that job well, it has done yeoman service for the advertiser.



THIS WEEK has put a "new method of magazine advertising" into business' bag of tricks. Now, for the first time, you can tell your magazine ads which markets to sell, just as you tell your salesmen, and your local advertising.

You can point to the biggest thumb-tacks on your sales map, and know that THIS WEEK will follow your salesmen right into these centers. For here's one magazine that concentrates on just the big-volume, big-profit, big-city markets.

If you'll pardon just one little statistic, we'll show you what that means: America has 24 key markets that do the lion's share of its business. THIS WEEK concentrates on these markets, covers them as thoroughly as the next 4 weeklies, or the top 4 women's magazines, *combined*.

And it covers those homes with more than just magazine power—with the shopping appeal and the dealer influence of 24 great newspapers thrown in.

THIS WEEK circulates differently from other magazines, to be sure.

But that difference is the secret of its sales power.

That difference is why so many sales-minded advertisers have adopted this fast-growing "baby"—to the tune of more than 13 million dollars to date.

**THIS WEEK**  
THE BIG CITY MAGAZINE

# THE HUMAN SIDE



## (Iron) Fireman Save My Cheeild?

When the fire-bells go clang-dang in Franklin, Pa., the Franklin Hardware & Plumbing Co., agency for Iron Fireman automatic stoker, leap into action too. A call from the fire department tells where the blaze is. The F. H. & P. Co. service men check their records. If the alarm is from a building with an Iron Fireman installed, they climb into rubber boots and a "fire" truck and screech off to the excitement.

Recently at a midnight conflagration the service department arrived as soon as the regular smoke-eaters. They made a rush for the thermostat, panel board controls, and motor and got them out of the building. As soon as the fire had been subdued, the Iron Fireman reconnected the motor and controls and within an hour had heat going again in undamaged parts of the building.

Onlookers were so impressed by the Iron Firemen's celerity that the latter left the scene with five good prospects. Within a week one had become a buyer.

Believed to be the only such fire service in this country, the Iron Firemen never forget to drum up trade while protecting customers' interests. They wear Iron Fireman shop coats, and their truck has an I.F. sign.

## Inarticulate Industry Speaks Up

"Southern cotton mill owners eat a baby every morning for breakfast. Then they whip cringing employes into the mills. From 'can-see' to 'can't-see' the wretched mill hands toil, while the blood runs down their backs. At night they hobble to shacks in which a self-respecting dog wouldn't sleep."

Such tales as this—or nigh on to it—have been curdling the blood of people above Mason & Dixon's Line for a long time now. Investigators, essayists, writers of "realistic" fiction who found a ready market for grim or hair-raising accounts of life in Carolina mill towns have given the world a distorted picture. That, at least is the belief of the Southern Combed Yarn Spinners Association.

It is composed of some 50-odd cotton mills in North Carolina. To offset this luridly distorted view, the Association has published a book, "Faces We See," by Mildred Gwin Barnwell. The title deliberately suggests Erskine Caldwell-Margaret Bourke-White's recent "We Have Seen Their Faces." Mrs. Barnwell, born and raised in a mill town, sees different faces from tourists Caldwell and Bourke-White.

Her book, like theirs, is mostly pictures. The text, though, describes the southern mill workers who came from the mountains to tend the spindles of Carolina's expanding industry. Pictures show how and where they live. Another chapter takes the reader through a mill "from Bale (of cotton) to Bolt" of cloth and explains each step in the complicated process.

A third chapter introduces a typical mill family, including Mother and her electric stove and refrigerator. A final chapter gives additional information on the industry, what it pays in wages, hours of labor, and so on.

None of the unposed pictures are particularly sensational: Modest, comfortable homes, square dancing at the community center, boys hunting and golfing in the afternoons after their shifts are over, fleecy piles of cotton being placed on conveyors. A 40-hour work week, houses that rent to employes for 25 cents a week a room, the daughter of a vice-president sewing in the mill-maintained school with children of minor employes, mill baseball teams, are not the stuff of which flaming headlines are made.

"Out of 600 houses in this mill village, 288 were equipped with electric refrigerators; 555 had radios; 250 of the 600 families owned automobiles."

Even an ace reporter of the "we're-all-going-to-hell-in-a-wheelbarrow" school can't work up a lather over such facts. Yet in spite of the lack of chilling, thrilling drama in "Faces We See," it gets over its point. Possibly it may convince readers that life in a mill town is not a nightmare of oppression and misery. Perhaps the voice of calm—if unspectacular—fact will drown the shrieks of the blood-and-thunderers.

The Southern Combed Yarn Spinners Association hope it does. They are plumb wore out denying that they eat babies. They never did like baby meat, even boiled with turnip greens.

## Editorial Springiness

In admiration not unmixed with humility, we doff our editorial hat to the editor (who insists on remaining anonymous) of *The Mainspring*, eight-page house organ of Wallace Barnes Co., Bristol, Conn. The firm is a division of Associated Spring Corp., and its house organ is dedicated to the glorification of springs—a thankless task, a layman might think, but one which *The Mainspring's* staff tosses off with the greatest of zest and high spirits.

Published, according to its masthead, "for those interested in Springs and what they accomplish in Life and Industry," the magazine goes mainly to engineering departments and technical schools. There's sound technical information in it, sugar-coated with pertinent and impertinent humor. Its purpose is indicated in practically every line, even in the list of contents. The August issue ("Spring No. 8, Coil No. 2") lists feature articles in "Spring No. 7, Coils 1 to 12." This issue—pardon us, *Coil*—contains the concluding installment of "The Diary of John Spring-atom," which, reckoning backward, appears to have begun in Coil 7, last February. Spring-atom, an engaging, cartoon character with handlebar mustache and a woe-begone look, is shown in all sorts of spring-like activities, finally ending in the open-hearth yard, meditating on the pleasure of being a Spring-atom. His observations are of a philosophical nature, as is shown in this sample: "I was listening very attentively while the Beryllium copper fellow was telling me about the flat department, partly because I was quite interested and partly for the same reason that all windy folks listen patiently to each other—so that they can have an attentive audience when their own turn comes." (Italics ours.) Drawing shows Spring-atom listening solemnly as the Beryllium fellow blah-blahs.

*The Mainspring's* editors, unlike others SM can touch without leaving its offices, do not lapse into mental coma when faced with picturing an abstract idea. Given "a case where an extension spring is suspended horizontally and gets a sudden snap action," they produce the giggle-provoking illustration at left.



SALLES MANAGEMENT, published semi-monthly, on the first and fifteenth, except in April and October, when it is published three times a month and dated the first, tenth and twentieth; copyright November 15, 1939, by Sales Management, Inc., 420 Lexington Avenue, New York, N. Y. Subscription price, \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office, N. Y., under the act of March 3, 1879. November 15, 1939. Volume 45, No. 11.



# How to secure

## *DOUBLE ACTION*

## from Advertising



*Here Is the Whole Story—  
briefed down for quick reading!*

Right at the start let's clear up one point:

We do not claim double action from advertising in *The American Weekly* simply because it has double the circulation of any other magazine.

We want advertisers to know *where that circulation goes, what kind of people it reaches, what kind of reading the magazine gets.* So we'll try to answer these questions.

**FIRST**—this mighty magazine naturally circulates all over the United States—but *it has its greatest concentration where the greatest volume of retail sales is made.*

It has twice as much circulation in cities of over 1,500,000—in cities of 100,000 to 1,500,000—in cities of 25,000 to 100,000—*reaches twice as many families as any other magazine.* And in cities of 2,500 to 25,000 it also is read by more families than any other magazine.

That's important—for 82% of all retail sales are made in the 3,165 urban places where this penetration is greatest.

**NEXT**—what kind of people?

*The American Weekly* goes to *more than half* of all the families in the United States with incomes of over \$2,000—almost twice as many as any other magazine. It also goes to three and one-third million families with incomes of under

\$2,000—*more than twice as many as any other magazine.*

And that lower income market is important because those families with less than \$2,000 a year own about three-fourths of all the automobiles, about half of all

electrical refrigerators and spend most of the money that is rung up on the cash registers of grocery stores.

**NEXT**—what kind of reading does this magazine get?

Dr. Daniel Starch, noted investigator and research authority, in *the first full year's study of the complete editorial content of a magazine ever made*, shows—

That in 95.6% of all homes where *The American Weekly* was found, this magazine was read by one or more adults.

But the big fact is—more than 14,600,000 men and women go through its pages from cover to cover—and *they read it with an intensity unequalled in the publication world.*

**ADD** to these facts of *circulation, market coverage and readership* one more vital statistic:

This magazine provides a color page *twice as big* in which to show the merchandise and tell the story at a cost of less than  $\frac{1}{3}$  cent per family.

The fact is, *The American Weekly* is *twice as big* any way you measure it, except in cost—and in cost it is less, any way you measure it.



### *Cock-A-Doodle-Do!*

During November *The American Weekly* continues its substantial lineage gains for the first ten months of 1939 with an increase of 33% over November, 1938, which is its largest lineage gain for any single month of this year to date.

# THE AMERICAN WEEKLY

"The National Magazine with Local Influence"

MAIN OFFICE: 959 EIGHTH AVENUE, NEW YORK CITY



**M**AKE way for tomorrow . . . yesterday is history.

And for The Memphis Commercial Appeal, around 365,000 yesterdays have been covered. Days of trials and tribulations . . . days of triumph and parades . . . A Century of Progress.

Religious adherence to the principles of good newspaper coverage and sound advertising policies have helped build an institution with a reputation that has withstood the test of time.

Yes, the first 100 years were the hardest.

But that was yesterday . . . part of a glorious past. Today and tomorrow we look ahead . . . pausing a moment, here and there, to reflect on the blessings which have been so kindly bestowed.

Since its inception back in the wild and woolly days of 1840, The Commercial Appeal has been an institution dedicated to the service and best interest of all the people of the Mid-South.

Yes, The Commercial Appeal is an institution.

Because it is a well-balanced newspaper with unexcelled coverage of sports, business, finance, society, general news and pictures of world events plus the best features and comics of the day—it is a family newspaper.

And in this century of development it has been a Partner in Progress with the farmer and the business man of the Mid-South. Your advertising message in The Commercial Appeal will command attention and produce results.

It is the only media in the Mid-South that provides . . .

#### 2-Way Selling Action

1. The Commercial Appeal sells the consumer by its established reader interest.
2. The Commercial Appeal sells the dealer by its vast trade paper influence.

## The COMMERCIAL APPEAL

MEMPHIS

TENNESSEE

A Scripps-Howard Newspaper

National Representative — The Branham Co.

"More Than A Newspaper — An Institution"

The other feature article in the issue, "Stresses in Loops on Extension Springs," has problems in it reminiscent of the higher branches of mathematics—

$$\frac{6 PL}{b^3 t} = \frac{6 PL}{.04 \times .1} = \frac{6 PL}{.004} = 1500 PL = 1500 PR"$$

(and so on and on). It's our guess that, unadorned, this article would attract only the mustiest sort of spring-fancier. It's enlivened, however, with amusing pen drawings printed in blue-splotted panels, illustrating dramatically the action of springs, with people contorted and going through spring-like motions.

There's a column, "Editorial Dust," of "Trivialities Concerning (you guessed it) Springs," containing such odd bits of information as the story of a young woman kneeling on the edge of a bed close to a window—when tricky springs threw her off balance and out of the window. ("We do not make bed-springs," reports the columnist.) Then there's the news that workers on the Grand Coulee Dam, to prevent bruising their feet, wear innersoles of two layers of thin watchspring steel, held in rubber and covered with cloth.

Front cover of the issue is a blue monotone photograph of springs of many sorts, even including the prosaic safety pin. Back cover is used to put across the thought that "we make *Other Things* than Springs," that is, "formed and machined parts."

An inquiry directed to the editor evoked the information that *The Mainspring* has been published since 1926, that its light, readable style was adopted "to interest other branches of manufacture, aside from engineering departments," and that results have been "excellent." Answers to our questions were perfunctory, but we can't blame the editor, because the job of humanizing an industrial product may absorb all his energies, leaving little time for irrelevant correspondence.

#### • Tannenbaum!

Lighted outdoor Christmas trees have become a California holiday custom, thanks to the state's Outdoor Christmas Tree Association, and Pacific Gas & Electric Co. Last year 100,000 gayly trimmed and colorfully illuminated trees competed for prizes. This year the Association is setting an even higher quota.

In 1925 Clarence F. Pratt trimmed a tree with bright lights for a sick child to see from his window. Next year the Association was formed with Pacific G. & E. in the background. Jean Scott Frickelton, head of her own ad agency in San Francisco, wrote the publicity and lined up prominent people all over the state. Mrs. A. B. Spreckels was the first president. She still is. Mary Pickford is among the notables on the board of directors.

By 1936 the State Chamber of Commerce accepted sponsorship of the movement. Now well over 300 local Chambers of Commerce back it up and sponsor local contests for the best-lighted trees. So do newspapers.

Contests take many forms, suggested by Miss Frickelton, Association secretary. For adult residents of a given community, street, or district; for children under certain ages; for stores, hotels, schools, churches, and other classifications. Each group competes only with its own group.

Suggested duration of the contests is from December 15 to January 2, from five to ten o'clock at night. The Association recommends, in addition to lighted trees, strings of colored lights for porches, around doors and windows, along fences, and flood-lighting of painted Christmas scenes.

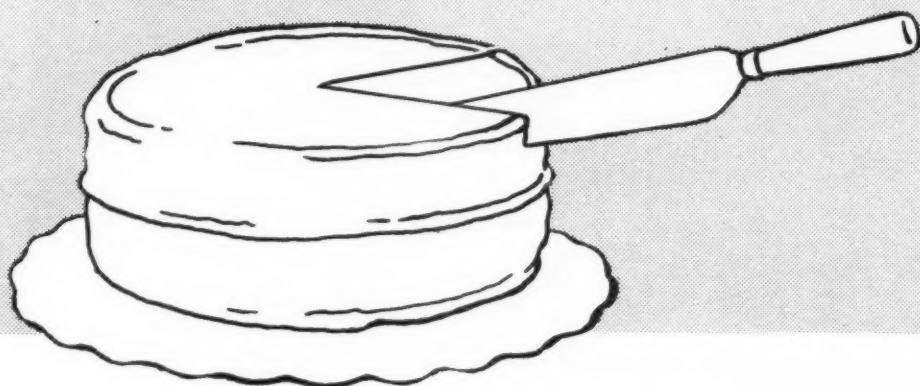
Live trees are the principal item of decoration—all sorts of trees. Douglas firs, gigantic redwoods, pepper trees, acacia, even palms in Southern California. Last season the community of San Lorenzo Valley lighted 25 miles of giant redwoods along the highway.

Apparently the idea is a "natural." Tree conservation groups whoop it up; society women adore the publicity; electrical appliance dealers sing carols of glee. And while the extra power consumption is not large, light is dramatized effectively, cheerfully, subtly. Therefore Pacific G. & E. is glad to charge off the trifling cost to advertising.

SALES MANAGEMENT



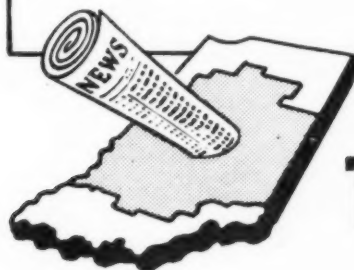
**USE THE RIGHT TOOL**  
to slice yourself a bigger  
piece of profit



The Indianapolis Radius is a rich and inviting treat for advertisers just now. Business here is advancing steadily along all fronts. Employment and pay rolls are up; retail sales are up.

#### **INDIANAPOLIS LEADS!**

September business activity in Indianapolis was only 2 per cent. below normal, according to the survey of Brooke, Smith & French, Inc. No other city over 65,000 population made as good a showing.



Wise advertisers will not be content with nibbling at the edges of this market but will slice off a big share of profits by using the selling tool whose long record of proved productivity shows that it can do the selling job adequately and quickly . . . ALONE.

Yes, The Indianapolis News is that medium. Go along with it into the thousands of Central Indiana homes which are able-to-buy and buying . . . and see how your sales curve rises.

## **THE INDIANAPOLIS NEWS**

New York: Dan A. Carroll, 110 E. 42d St. Chicago: J. E. Lutz, 435 N. Michigan Ave.

# Sales Management

VOL. 45. NO. 11

NOVEMBER 15, 1939

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### Notes from the Managing Editor's Desk

The editors of SALES MANAGEMENT have long since learned, by keeping their fingers on the pulse of marketing executives, that our readers eat up the authoritative, brass tacks, how-to-do-it type of article. Our staff digs deeply for such material—is constantly on the alert for ideas for these stories. There are two articles in this issue which well exemplify the kind of editing job we are trying to do: "How Can We Get Our Product into the Limited Price Variety Chains" (Page 24), and the article by Frank Waggoner on the tough problem of inducing jobbers' salesmen to feature and push your product in competition with so many other items (Page 30).

\* \* \*

The thought-provoking sales policy article is another feature we like to include in every issue. A few pages ahead, you'll find one of these: "The Less-Than-Absolute Guarantee—Is It Worth a Damn?" You may not agree with what Mr. Dana has to say, and your own experience with guarantees may not check with his theories: If it doesn't, Uncle Sam is delivering mail to 420 Lexington quite regularly, and you're invited to use his facilities to get your own ideas off your chest.

\* \* \*

We've heard much favorable comment on Peter Andrews' new department—the one called "New Products and Markets"—which was introduced in our October 20 issue. You'll find it regularly hereafter in the issues dated the 15th of the month. To answer a question: Yes, we do welcome contributions to this department from readers. Address them to Mr. Andrews at SM's editorial offices in New York.

A. R. HAHN


EDITORIAL STAFF: RAYMOND BILL, *Editor and Publisher*; PHILIP SALISBURY, *Executive Editor*; A. R. HAHN, *Managing Editor*; E. W. DAVIDSON, *News Editor*; M. E. SHUMAKER, *Desk Editor*; RAY B. PRESCOTT, *Director of Research*; F. R. PETRON, *Production Manager*. ASSOCIATE EDITORS: JAMES R. DANIELS, LAWRENCE M. HUGHES, LESTER B. COLBY, D. G. BAIRD, L. R. BOULWARE, S. A. WRIGHT, FRANK WAGGONER.

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# "All I Know Is What I Read in the Newspapers"



With this strange war in Europe, fought for the most part in the dark, the words of the immortal WILL ROGERS, "all I know is what I read in the newspapers!" is today more than ever an eloquent expression of a fact applicable to our entire nation.

Like an expectant father, nervously pacing the hospital corridor, the nation anxiously awaits for its daily newspaper to interpret the meaning of ominous sword rattling and shrieks of propaganda emanating from behind the locked doors of diplomatic conferences.

In Louisiana, where war's necessities, oil, cotton, sugar and rice, are a peaceful livelihood contributing \$243,000,000 annually to the purchasing power of the New Orleans market, The Times-Picayune New Orleans States are the newspapers to which 171,994 families turn to for a reliable interpretation of the news—their intense interest can be turned to your profit by advertising now in.

## The Times-Picayune NEW ORLEANS STATES

Representatives: NOEE, ROTHENBURG & JANN, Inc. New York, Chicago, Detroit, Atlanta, San Francisco

NOVEMBER 15, 1939

[7]

# TSK...TSK...THINGS WHEN THE



## IT WORKS EVERY TIME

Advertising in the Journal creates desire. Displays in grocery stores help turn this desire into sales. Witness the success of the Miracle Food Market in Albany, N.Y. In one week, this Gelatine display built around the company's advertisement in the Journal increased Gelatine sales 300%. Related items jumped 50%. Things happen!



## JOURNAL PLAYS TO CAPACITY CROWDS

So impressed was one department store in the East with the demand for the college clothes which were shown in the September Journal, it used them in a special Fashion Show, ordered 1500 reprints . . . "a huge success," writes the Advertising Manager, "with standing-room only at each showing." As always — things happen when the Journal comes out!



Ladies' Home



**DO HAPPEN  
JOURNAL COMES OUT!**



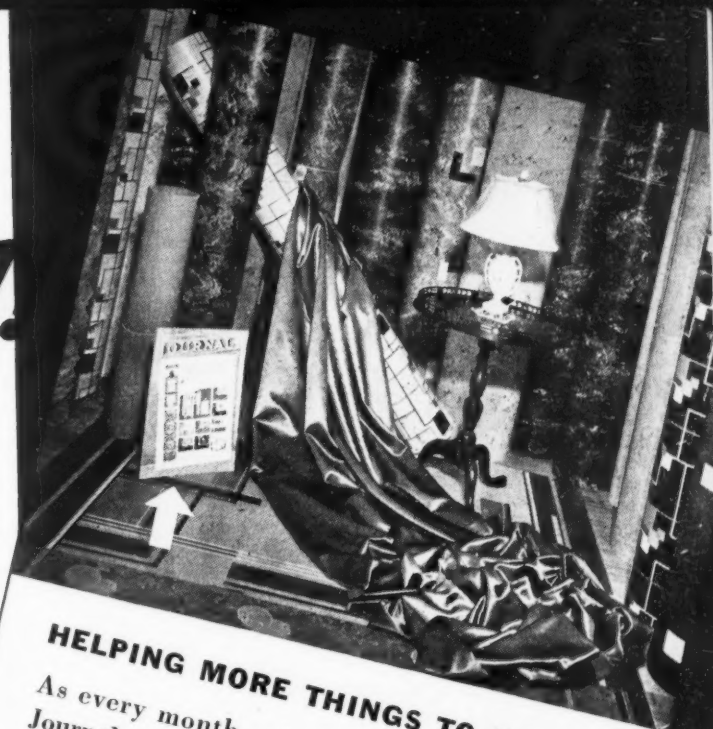
**ALL RIGHT:** Maybe we *have* exaggerated a little in our cartoon. But we did it to make a point.

Retail activity is a good yardstick by which to measure the effectiveness of a magazine. Case after case of women's response to pages in the Journal piles up evidence that things *do* happen, in the stores of the country, when the Journal comes out.

Ask us "How come?" and we'll tell you. The Journal is unconditionally *for women*. Nothing is added to the magazine and nothing is taken away for the sake of the so-called strong sex. For that reason, the Journal has become the magazine women believe in.

# JOURNAL

THE MAGAZINE WOMEN BELIEVE IN



**HELPING MORE THINGS TO HAPPEN**

**...ING MORE THINGS TO HAPPEN**

As every month, advertising in the October Journal was previewed in a special trade edition. Sent to executives in 1065 department stores across the country. These stores rushed back requests for 1338 mounted reprints of specific Journal advertisements for use in store promotion. Store executives know things happen when the Journal comes out!



**TOUGH TEST IN 10 STORES**

**TOUGH TEST IN 10 STORES**

It happened in 10 self-service stores — as near alike as 10 stores can be! Ritz Crackers were displayed for one week. No price concessions, no special inducements — just product and price. 5 stores used Ritz advertisements from the Journal in their displays; 5 did not. The 5 stores that used the advertisements showed almost 21½ times more sales of Ritz Crackers than the stores that did not. As we have said, things happen!

watch your

hat,





# coat and advertising budget

\$ \$ \$

**B**E careful where you hang your hopes when you plan your advertising budget. Don't lean too much on cities . . . because some forty cents of every dollar spent at retail comes from *country* pockets!

To make your budget bring you profits, you've got to bid for *both* the city and the country. For the cream of agriculture's business will bring you more profit per dollar spent than the skimmed milk of city business can.

Put as bluntly as we know how . . . you simply can't do a *national* advertising job without having your ads appear regularly in *Country Gentleman*.

For here, 2 million families strong, is the *cream of agriculture's buying*, between the covers of a single, mighty, monthly magazine.

Cream in *buy-ability* on the words of hundreds of local dealers who have checked our subscription lists against their own best customer lists.

Cream in *reach-ability* because they give this magazine of livelihood an intensity of interest that the usual big magazine just can't hope to get.

It stands as simple fact that no idea backed by these pages has ever failed to get action . . . and that unless you *do* get action in this market, you haven't matched your dollars to your chances!



## COUNTRY GENTLEMAN

NATIONAL SPOKESMAN FOR AGRICULTURE



South America VI: Brazil  
Fortune for June, 1939

the Trade Wars?  
Fortune for May, 1939

Curtiss-Wright: Warrior  
Fortune for September, 1938

Japan's Rising Sun . . . . . A Table  
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Fortune for May

Background Of War  
I: British Foreign Policy  
Fortune for March, 1937

Czechoslovakia  
Fortune for August, 1938

The High Cost  
the post-Munich  
Fortune for

**FORTUNE IS NOT**



# as far as *Business* is concerned

★ In war or peace, this is

FORTUNE's editorial job: to spread before businessmen, accurately, informatively and readably, the domestic and world scene in its relation to Business. Not the daily details of the news, but the inner core of current history from which those daily details spring.

This job was *not* being done in the days of the First World War—and there is a notable contrast between the confusion then and the relative calm of Business today.

The American Business Jitters of 1914 can be attributed to the lack of experience *and of information* with which Business was facing war. Such experience as Business had acquired could not be drawn upon . . . there was no manual entitled, "Procedure for Business in War Time" . . . a magazine like FORTUNE, devoted to supplying business information, was not even dreamed of.

## ***The Involvement of Business Involves FORTUNE***

But during the past decade FORTUNE has been on the scene, handling the greatest journalistic assignment in history—to describe concretely Modern Business and all it means in the daily activity of the millions of people throughout the world—to present its amazing accomplishments, explore its radiant hopes, examine its thorny problems. Business is the most important thing in the lives of every American—and FORTUNE the thorough, candid investigator of its swiftly shifting, changing scene.

International affairs, government, the economics of armament, now move in on Business with relentless rapidity. And FORTUNE, the chronicler of Business, is in the thick of it. For the measure of the impact of those forces on Business is the exact measure of their impact on FORTUNE.

A study of the headlines to the left shows the editorial bent of FORTUNE during the last years of the dying Peace. And they lead us right into the headlines of FORTUNE today and tomorrow.

The article on Martin Aircraft in this December issue, a typical FORTUNE "corporation story," illustrates the special attention that the Editors are pay-

ing to companies whose businesses are affected by war conditions.

The Texas and Baldwin Locomotive articles, on the other hand, illustrate that the Editors of FORTUNE are very much aware that, if our internal problems are not to be doubled and redoubled, we must re-examine *now* all the experience, and study *now* all the facts pertinent to our economy.

The famed FORTUNE Survey and the FORTUNE Round Table will explore issues both domestic and foreign.

Articles on the really basic aspects of the war will be contributed by Dr. Raymond Leslie Buell, FORTUNE's Round Table Editor and, until recently, President of the Foreign Policy Association. And on the military situation FORTUNE will have the benefit of its general military adviser Major George Fielding Eliot, America's foremost writer on military affairs.

The FORTUNE War Maps, dealing not with the changing battlefronts but the more durable economic scene, will illustrate monthly a continued history of the war.

Thus FORTUNE, each month, brings the war into focus.

## ***For Preparedness— 10 Years Active Service***

For this job that *no one* was doing in the First World War the Editors of FORTUNE are superbly equipped. Their objective journalistic technique, their advanced research methods, their sensitive editorial insight—have made FORTUNE the perfect precision-instrument for recording and measuring the real forces of the modern world.

But the job is not solely the job of FORTUNE's Editors. A vital part of this job will be done by FORTUNE's advertisers. For they are essential parts of the modern world of which FORTUNE is the chronicler. Without its advertising pages FORTUNE could not complete its *editorial* job of supplying businessmen with the guiding knowledge that they need now and always. And so, more than ever before, is FORTUNE the precise medium for carrying the messages of "management advertising to management."

# Fortune

## MEANS BUSINESS

**In Your Bid for 1940 Business PLAY THESE—**

# **4 ADVERTISING ACES**



## **VOLUME**

2,500,000—Largest mail-delivered circulation in the world. Farm Journal and Farmer's Wife delivers your advertising message into more homes in more counties than any other magazine *rural or urban!*



## **COVERAGE**

Full Family Readership, the natural result of combining two complete covers and contents within a single magazine. Farm Journal and Farmer's Wife is equally a favorite of men *and* women.



## **SPEED**

Four Day Writer-to-Reader Service, which adds to mass coverage the tremendous impact of *current news* and its significance to rural people.



## **VALUE**

Lowest Page Cost Per Thousand of any mass magazine. \$1.96 per page per thousand—less than one fifth of a cent per family.

Volume, Coverage, Speed, Value—4 reasons why Farm Journal and Farmer's Wife can move more goods to more people at lower cost for you in 1940.

**FARM  
JOURNAL**

AND  
**Farmer's Wife**

Graham Patterson, *Publisher*, Washington Square, Philadelphia  
SALES MANAGEMENT



# Significant Trends

As seen by the Editors of SALES MANAGEMENT for the fortnight ending November 15, 1939:

## Free Spending Rides Again

THERE'S USUALLY A LAG between changes in retail sales and income. As incomes improve, money is used for paying debts and it takes some time before the sales increase catches up with the income increase. Conversely, retail sales never drop as rapidly as income because people withdraw from their savings to maintain customary living standards.

But this time it's different. Sales increases since the first of July have far outstripped income gains. For the year to date we are around 5% better off in national income but the retail sales gain—all types of stores combined—is nearly double that figure.

★  
Luxury lines are getting a big play. The Department of Commerce's analysis of independent store sales for the month of September shows the largest percentage gains over the same month of the year before for five retail classifications in the luxury field—jewelry stores, 21.6; household appliance, 21.1, motor vehicle dealers, 20.1, radio and music stores, 16.7, furniture stores, 11. The gain for all types of stores was 8.7.

★  
In New York the luxury industries—gowns, furs, jewelry, fine food, champagne, amusement—are sharing a prosperity on a scale unknown in many years. Broadway ticket scalpers are getting \$11 for a single \$3.30 ticket—a rare phenomenon since the depression. It's the best theatrical season since 1929—far better than 1937. New York's department stores had a September gain of 13.3% but the two departments which led in general improvement were jewelry with a gain of 32%, and furs, with a gain of 29%. One of the leading champagne importers reported that sales were two and a half times greater than last year. The general gaiety was summed up by one theatrical producer who has just returned from London. After the grimness of the war atmosphere abroad, he said it was a shock to find "all New York in paper hats."

★  
But the gains are not all in the industrial cities. Continued stability at a high level in rural and small town purchasing was shown during September, and the Department of Commerce index (1929-31 equals 100) stood at 125.4, which is more than ten points ahead of the same month of 1938.

The conservative and generally reliable estimates of the Department of Agriculture indicate a good 1940 for farmers. "The probable supply and demand conditions for farm products in general in 1940 indicate that a slightly larger total volume of marketings will be disposed of at higher prices. Practically all groups of commodities will share the increase. As a result, cash income from the sale of farm products should be materially higher in 1940 than in 1939, but may not reach the 1937 level. Income from livestock and livestock products may be nearly as large as in 1937."

Montgomery Ward & Co., which sells to farmers through its catalogs and to all consumers through its retail stores, had the biggest single month in its history in October—not just better than any October but better than any December, even in 1929. Sales for ten months likewise hit a new high.

NOVEMBER 15, 1939

## A Comeback for Durable Goods

MORE THAN A MILLION WORKERS have secured re-employment since August and a large proportion of them have been in the heavy goods industries—the field that has been most depressed over the past decade. A Department of Labor study for the month of September indicates that six workers were reemployed by durable goods companies for every one taken on in the non-durable goods field. Payroll gains in durable goods lines, in percentage, September of this year as against September of last year were as follows: Iron and steel, 20; blast furnaces, 25; structural metal work, 15; tools, 16; agricultural implements, 32; electrical machinery, 22; engines and turbines, 29; machine tools, 66; transportation equipment, 37; aircraft, 635; automobiles, 40; shipbuilding, 40.

The steel industry no longer looks back to the good old days of 1929, for October production was the highest for any month in the history of the United States. During the first week in November, the industry went on to even higher levels. That week operations were at a calculated rate of 92.5% of capacity and on a tonnage basis the 1,262,996 gross tons of steel were far in excess of the 1937 peak and about 10% ahead of the best 1929 months.

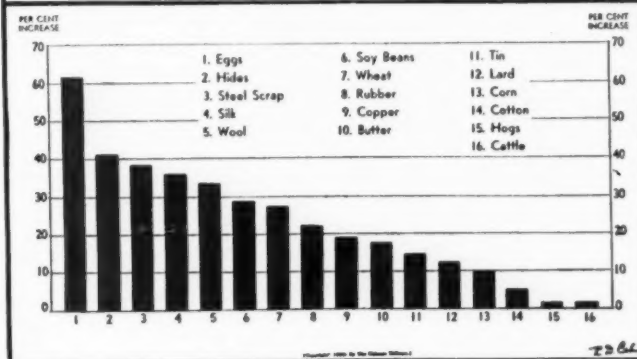
## What About New Orders?

SUCH INVENTORY FIGURES as are currently available do not furnish any concrete or convincing evidence of the existence of a top-heavy inventory structure. If the inventories of department stores in the New York Federal Reserve District are any criterion, the decline in stocks of six-tenths of one per cent at the end of September under a year ago certainly fails to reflect a reckless buying spree in the biggest merchandising center in the country.

In the manufacturing field, a report from the National Industrial Conference Board shows the volume of inventories of 163 representative manufacturing concerns at the end of September as off 1% during the month. A rise in raw material stocks was more than offset by a reduction in finished goods inventories.

Wholesalers' stocks do not seem to be out of line. The Department of Commerce report for the month of Sep-

Extent of the Rise in Prices in the First Two Months of the War



tember shows that wholesalers' sales were up 16.5% over a year ago and the cost value of stocks on hand were up only 2.7%.

★

A rather interesting change in buying policy by manufacturers is shown in a report compiled by the *Detroit Purchaser*. Data for the month of September show the following to be prevailing company policy in that area as compared with a year ago:

	Sept., 1939	Sept., 1938
Hand to mouth, %	3	23
30 days in advance, %	1	25
60 days in advance, %	23	20
90 days in advance, %	36	25
Six months in advance, %	34	2

The Detroit report summarized above helps to explain why there has been a falling off in the last 30 days in the volume of new business placed although production and shipments have increased.

## Why Are Consumers Skeptical?

ONE OF THE SPEAKERS at the annual convention of the Associated Grocery Manufacturers of America, a woman, said that consumer skepticism has grown up through failure of business leaders to answer honest questions. There is no getting around the fact that the public is demanding more information rather than being satisfied with what it is getting, and as the AGMA speaker said, "It's no answer to shout, 'Red!' "

The survey findings read at the Hot Springs meeting of the Association of National Advertisers likewise showed that consumers feel that business has not given them the kind of information they want; therefore it isn't surprising that they turn to organizations such as Consumers Union and Consumers Research.

★

Some of the big stores are taking this consumer demand far more seriously than are the manufacturers. The big Bamberger store in Newark is going to put informative labels on all merchandise sold in the store.

★

Business in general is not putting its best foot forward. Either through a feeling that the consumer isn't interested or it's none of the consumer's business, company heads are keeping mum about achievements which would take most of the wind out of the sails of agitators. As an exception might be cited the recent full-page ad of Goodyear in which that tire company announced a decrease in prices despite an increase in raw material prices.

★

Business needs more publicity on achievements of this kind—more widespread dissemination of news such as du Pont's twentieth consecutive price reduction on "Cellophane." In the face of rising prices on most commodities and materials, accompanied by speculation and doubt as to the future, the du Pont company, with faith in the business future, has now brought the price of plain "Cellophane" down to 88% less than its original price.

★

We like the philosophy of Edgar Kobak, vice-president of Lord & Thomas, another speaker at the AGMA convention. Speaking of attacks on advertising, he said, "These attacks make us stop and consider, make us hew to the line. Let's thank the critics. Let's not argue with them. Let's concede that sometimes they have something on their side. Correct the errors if we are in the wrong. Correct the

attacker with sound logic when we are right. Whenever we get a good blast from the opponets, we tighten the rules—for a while. But we get lax again; and unless we hold the reins tight, we'll get government censorship, state regulations, and city rules so rigid and so unrelated that it will be impossible to put much selling in our advertising."

★

There's also a lot of sound logic in the suggestion made by Kerwin Fulton of Outdoor Advertising, Incorporated, to the ANA last month—that national advertisers spend 1% of the \$400,000,000 they invest in national media each year to resell our business system to the public. A lot of good could be done with that \$4,000,000 kitty.

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## Harness Your Advertising to the New Prosperity

This headline paraphrases one used this month by the Pittsburgh *Sun-Telegraph*:

"Hitch Your Budget to a Boom."

The newspaper emphasized that, in Pittsburgh, "industry is bustling. Payrolls are swelling. Stores are busy—and opportunity is knocking—on your door—offering a market reminiscent of '29. . . ."

Media covering many of the nation's markets today may echo the *Sun-Telegraph's* sentiments. Throughout the nation, business is better. In some industries it is virtually at the level of '29. In a few—from the production of steel, electric energy and chemicals to cigarettes—it is at an all-time high.

Generally, though, this trend until now has affected capital goods industries more than consumer goods. . . . Steel ingot operations have risen in a year from 56.8 to 92.5% of capacity. . . . Department store sales are only 11% ahead of a year ago.

But stores are beginning to feel it. A month ago department store sales were only 3% ahead of the same week of 1938. Grocery, drug and other retailers are doing better. . . . People are starting to buy.

Not only at steel mills in Pittsburgh, Gary and way points, but at copper smelters in Montana and Utah, lead and zinc mines in Missouri, foundries in Ohio, airplane factories in California, textile machinery plants in Massachusetts . . . in thousands of production and distribution enterprises all over the country, hundreds of thousands of additional workers are earning wages.

Already these workers and their families are helping to provide manufacturers and stores with "the best fourth quarter since '29." In 1940, if the trend continues, they will help to lift the nation's income above 70 billion dollars.

But although there are more buyers, and more ability and willingness to buy, advertisers have not yet begun fully to harness this trend. In fact, advertising as a whole is only about 5% above a year ago.

Possibly there will be a general "boom." Probably the upward trend will continue into and perhaps through 1940.

But, in good times or bad, competition goes on. Business must be fought for. It must be won. It must be won by the efforts of individual companies—by their salesmen and their advertising.

Advertisers should plan now—should start now—to get their share of the new prosperity. Media and markets which have a good story to tell—as so many of them now do—should start vigorously to tell it.

Aggressive, consistent, intelligent advertising can help harness the nation's prosperity to individual and collective profits. It can help to keep the nation prosperous.

SALES MANAGEMENT



Mentley



McCarthy



Simmons



Mathews

G. L. MENTLEY is new sales manager of Frosted Foods Sales Corp., General Foods subsidiary, where he will supervise the sales of all Birds Eye products. For the past four years institutional sales manager of the company, Mr. Mentley joined Birds Eye in 1934 as a salesman. Previously he was assistant sales manager of Jacob Dold Packing Co., Buffalo.

A. L. MCCARTHY has resigned as vice-president in charge of sales for Eureka Vacuum Cleaner Co., Detroit, to become manager of branch and resale operations for Bendix Home Appliances, Inc., South Bend, Ind. Head of Eureka sales since 1919, Mr. McCarthy first joined that company in 1914. He is widely known for his work in sales training.

HARRY SIMMONS, formerly eastern sales manager of the Heinn Co., has been appointed manager of the catalog cover division of the C. E. Sheppard Co., Long Island City, manufacturers of loose leaf and filing equipment. The author of a number of books on selling, Mr. Simmons is a member of the Sales Executives Club of New York, the American Marketing Association and the Authors League of America.

W. H. MATHEWS has joined Devoe & Reynolds Co., Inc., New York, as vice-president in charge of the trade sales division and as a director of the company. Formerly vice-president and chairman of the general sales committee of Remington-Rand, Inc., Mr. Mathews had been with that company for 20 years.

## NEWS REEL



Pyle



Smith



Lee



Cherington

CHARLES G. PYLE has been appointed sales manager of the Hygrade lamp division, Hygrade Sylvania Corp., Salem, Mass., to fill the vacancy left by the retirement of S. N. Abbott. For many years assistant sales manager of the division, Mr. Pyle first joined the company in 1920. Since that time he has served as district sales manager of the lamp division in many sections of the country and as field sales supervisor.

TRAVER SMITH, vice-president of Standard Brands, Inc., New York, has been placed in charge of grocery products sales for the company, it was announced last fortnight by Thomas L. Smith, Standards Brands president.

JOSEPH A. LEE, also a vice-president of the company, will direct bakery products sales for Standard Brands. Other vice-presidential changes in the organization include the resignation of Daniel P. Wooley who is retiring from active business.

PAUL T. CHERINGTON, authority in the field of market and consumer research, has become a general partner in the firm of McKinsey & Co., New York management consultants. Mr. Cherington, since 1931 an independent marketing consultant, was a member of the original faculty of the Graduate School of Business Administration at Harvard University, and director of research for J. Walter Thompson Co.

*Photo of Mr. Mentley by Ben Pinchot*



# The Less-than-Absolute Guarantee— Is It Worth a Damn?

The American public's idea of a guarantee is rooted in the money-back-and-no-quibbling pledge which for years has been the basis of operation for the big mail order houses. Therefore anything in the nature of a guarantee which has a string tied to it, says this executive, is likely to defeat the very purpose for which it was framed: That of establishing and holding the confidence of the buyer.

BY L. F. DANA

**Y**OU can buy garden hose that's *guaranteed for ten years*, if you buy Sears, Roebuck's or Montgomery Ward's best. They guarantee that 57 cents per year is the most that 50 feet of this hose will cost you.

As Montgomery Ward puts it:

If the hose should fail to give you the service specified, we will replace it on a service basis, charging you only for the time the hose has performed satisfactorily.

And you get a refund of your transportation charges both ways, to boot.

That's a *potent* guarantee. One that insures satisfaction to the consumer, from the time that it swings the consumer's decision to buy and all through his use of the product.

But contrast that with what typical *manufacturers* do in the matter of guarantees—*puny* guarantees.

I recently bought a clock. It's a well-known make (Westclox), and it's guaranteed. When I looked at it in the store, I read, on a tag attached to the stem:

This clock is guaranteed against defects in material and workmanship for 90 days from date of purchase.

But when I got home I found a different formal guarantee inside. This starts off with the same sentence as on the tag, but it adds this qualification:

Any clock developing such defects within this period will be repaired or replaced (our option) . . . without charge, providing it is mailed direct to (factory), with 25 cents to cover the cost of handling, packing and return postage . . . Packages should always be insured. . . .

Without charge? About 25 cents for postage and insurance, from where

I live to the factory, plus 25 cents to them for making good on their defective merchandise! That happens to be 40% of the price I paid.

You know, if that had been on the tag I might not have resisted the department store's efforts to sell me one of the unknowns they were pushing. Those carry "the store's own guarantee for a year," and with no postage half across the continent, plus a quarter for packing and shipping it back to me. "Just bring it in, or phone and have us call for it."

Oh, the clock company isn't the only one to have this silly kind of a guarantee. Among others, I seem to remember that the "standard warranty" on new automobiles is just as unfair to the purchaser who finds that the car he received isn't as good as it should be.

Does your engine or axle go bad in 90 days, all you have to do (according to the warranty) is to remove said engine or axle, and pack it and ship it prepaid to the factory. If it's their fault, they will repair it, and ship it back to you—again at *your* expense.

Of course, your local dealer usually attends to all that, going far beyond the provisions of the warranty. But that's because of the dealer's self-interest; not because of the factory's guarantee. (And, no kidding, I once moved away from where I bought a certain car; and, there being no nearby dealer, I actually had to do just that with one complete engine.)

Can you imagine the clockmaker himself doing business with anybody

(except the individual consumer) that way? For example:

The clockmaker receives a shipment of overdone steel or other defective materials. Does he ship it back to its source prepaid, and pay an additional premium of 20% for the privilege of getting what he ordered? His attitude will be much more like that of the chain store buyer whom I overheard telephoning to a canner:

"Mister, we have that carload of green bullets you shipped us marked 'fancy peas.' They're in our way on the siding. Do you want to haul them away today, or shall *we* just dump them in the river?"

There's tremendous sales-making power in the amazing guarantee of the new Parker vacumatic fountain pen—if only they themselves didn't weaken it by a silly little extra charge—if a make-good is ever necessary.

A fine campaign of four-color pages and spreads in September magazines was entirely built upon this dramatic guarantee—for the lifetime of the owner (any age) against everything except loss and intentional damage. Proofs of the amazing stamina of this pen are given: Working perfectly after long periods of filling with iron-destroying acid; after ordinarily dangerous oxidation, electrical and drip tests; even surviving being dropped 3,000 feet from an airplane.

## The Seeds of Doubt

Surely one can spend \$5.00 to \$12.50 on a pen as wonderful as this without hesitation or question. But, just at the wrong moment the eye catches "subject only to a charge of 35 cents for postage, insurance and handling." Immediately I hesitate, because this puts doubt where there was unquestioning confidence before. *Do* so many thousands of these pens really stand up perfectly for a lifetime? Otherwise why is it so important to get 35 cents more from the purchasers of the pens that can't live up to the guarantee? Why doesn't the manufacturer stand his own 35-cent make-good expense, if making good happens so rarely?

After all, the manufacturer himself is the big loser from such petty qualifications of otherwise perfect guarantees. The loss of profits from sales lost when *almost* made by the guarantee alone—these lost profits would more than pay for every actual 35 cents expense many times over. To say nothing of cashing-in on a huge advertising campaign by selling all the pens possible—instead of only some of them.

Let's look at some more of these potent mail order guarantees, which influenced more than \$961,000,000

SALES MANAGEMENT



## WE GUARANTEE

- To Save You Money
- To Satisfy You Perfectly

WE GUARANTEE THAT EVERY ARTICLE IN THIS CATALOG IS HONESTLY DESCRIBED AND ILLUSTRATED.

WE GUARANTEE THAT ANY ARTICLE PURCHASED FROM US WILL GIVE YOU THE SERVICE YOU HAVE A RIGHT TO EXPECT

IF FOR ANY REASON WHATEVER YOU ARE NOT SATISFIED WITH ANY ARTICLE PURCHASED FROM US, WE WANT YOU TO RETURN IT TO US AT OUR EXPENSE. WE WILL THEN EXCHANGE IT FOR EXACTLY WHAT YOU WANT, OR WILL RETURN YOUR MONEY, INCLUDING ANY TRANSPORTATION CHARGES YOU HAVE PAID

SEARS, ROEBUCK AND CO.

Photo by  
Ewing  
Galloway

(net) of buying at Sears and Ward in 1938. (About half of this billion dollars of gross sales was through their retail stores, but the same basic guarantees of satisfaction apply equally to store or catalog sales.) Italics below are mine, to emphasize some vital points in consumer satisfaction and good will which these super-salesmen, Sears and Ward, *don't* overlook.

Here's Sear's basic guarantee. To get its full sales effectiveness, imagine yourself a consumer whose mind is not quite made up—just hesitating between "Yes" and "No" on some purchase.

You can order with the knowledge that our whole organization stands squarely behind every piece of merchandise we sell. From the buyers to the laboratory technicians . . . from the people who write the catalog to the person who actually fills your order . . . every one of us at Sears is always on the job to give you quality . . . economy . . . service. That's what makes possible our ironclad guarantee that you **MUST** be satisfied. You buy with confidence at Sears.

We guarantee that every article in this catalog is honestly described and illustrated.

We guarantee that any article purchased from us will give you the service you have a right to expect.

*If for any reason whatever you are not satisfied with any article purchased from us, we want you to return it to us at our expense. We will then exchange it for exactly what you want, or will return your money, including any transportation charges you have paid.*

SEARS, ROEBUCK & CO.

Here's Ward's guarantee:

We guarantee every article we sell to be of dependable quality—the kind of merchandise you have a right to expect. We guarantee *complete* satisfaction . . . or your money back. Whatever you buy from us must please you in every way . . . or you may return it and we will either exchange it for what you want or refund all you paid, *including transportation charges.*

MONTGOMERY WARD.

Then there are special guarantees, on tires, automobile batteries, garden hose—even on nursery stock.

Mostly those guarantees follow the lines of the garden hose guarantee—of a specified length of satisfactory service. For example, Sears' tire guarantee reads:

The All State Companion Heavy Duty 6-ply Tire is **GUARANTEED** for 24 full months. Should this tire fail within 24 months from date of purchase, return it to our nearest Mail Order House or Retail Store. We will either repair it at no extra

charge to you or replace it with a new tire, charging you one-twenty-fourth of the current price for each month you have had tire.

Even the Ward tire guarantee, which is "without limit of time or mileage" for free repair, obviously involves a charge "for the service received" when replacement by a new tire is required. (A possible weakness in this is that it *isn't* as specific as to that "charge for service," and customer-arguments are more likely than under the Sears guarantee.)

On batteries, both houses guarantee for periods of 36, 24, 18, 12 or 6 months, according to quality and price.

Four other grades of garden hose are guaranteed, as well as the ten-year top grade. Periods are seven, five, three and two years—also on a pro-rata service-received basis.

Even nursery stock is guaranteed to be satisfactory; with a guarantee that meets potential problems so clearly in advance as to give ample assurance to any doubting prospect. If you want a model for handling smoothly a really difficult situation, use Ward's as a model:

We guarantee all Nursery Stock, Seeds, Perennials, Bulbs, Tubers, and Roots to be exactly as represented in this Catalog; to be strong and vigorous, free from disease, true to name, and to reach you in proper condition for planting.

If the Nursery Stock you receive does not conform to the above guarantee, we will replace it with new stock free of charge if you write and send us your order papers within 30 days after you receive the stock. Claims for stock not true to name are not limited to 30 days but must be made in the first blooming or fruiting season.

As vigorous growth depends upon proper planting and pruning, soil and climatic conditions, and other factors over which we have no control, we cannot be responsible for the growth, or the crop, nor for any amount greater than the purchase price.

After the 30-day period, however, any Nursery Stock which does not grow, will be replaced with new stock at one-half the price in Ward's latest Catalog if you send us your new order and your original order papers within 90 days after you receive the stock.

If your replacement order is received too late for safe transplanting we will immediately notify you and ship it early the next planting season.

### Can We Afford to Guarantee?

The manufacturer who is debating "to guarantee, or not to guarantee" probably wants to know, "How much comes back?" There isn't any statistical information about Ward, and none for Sears since 1936. After that year, Sears joined Ward in not publishing gross sales or "returns, allowances, etc." In 1936 the Sears returns figure was \$32,029,146, or 7.7% on gross sales of \$417,080,465. Percentage of returns and allowances had risen from 6.8% in 1934 to 7.4% in 1935, and 7.7% in 1936.

As most of the known sales statistics of both houses are pretty uniform in percentages, probably Ward's experience on returns and adjustments under guarantees has approximated Sears'. And both seem to be able to make trends behave, in the course of time. So whether, 7.7% is basic today for Sears, or for both, we know that that was the figure in 1936—and that that figure compares very well with department store figures on the same subject of returns. And both houses are satisfied in 1939 that guarantees are as vital a factor today in their sale of more than a billion dollars (gross) of all kinds of merchandise to all kinds of people everywhere in the United States, city as well as rural.

But, in addition to weighing the endorsement of specific guarantees by the billion-dollar endorsement of these two great mail order houses, there are plenty of examples, past and present, of the sales value of the definite guarantee in influencing sales. Holeproof Hosiery is one of many past examples of building up consumer acceptance by

a specific guarantee, and then discontinuing that guarantee when it appeared to have done its job in winning acceptance and confidence. Question: How about the new millions of hosiery buyers who have grown up since that guarantee was dropped, plus the older generation who don't remember about it, and are buying competitive makes now in ignorance of the previous guarantee which gave Holeproof its basic reputation for quality and long wear?

On the other hand, Wanamaker right now is getting a fine response from guaranteeing that the collars and cuffs of its red label Wanatex soft shirts won't fray or otherwise show wear before the rest of the shirt does.

That guarantee alone swings the sale to many men.

Of course even without any *specific* guarantee by the manufacturers, hundreds of millions of dollars of merchandise sold to the public is *really* guaranteed under the sensible honesty of modern business, and the modern make-good policy of most manufacturers and retailers. But, of course, the public may not know that about *your* goods.

And a lot of the public—influenced or uninfluenced by political or other attack or innuendo, and with good reason or without any—has a very doubting attitude about believing advertising claims generally. Your *guarantee*

(Continued on page 85)

## Advertising Campaigns

[Old and New Products as Promoted in Newspapers, Magazines, Radio, Billboards and Dealer Helps]

### De-Whiskered Santa

The most famous "beaver" of all time, S. Claus, alias Kris Kringle, is in grave danger of losing his beard. The electric shaver makers are making special Christmas drives (for Yuletide is their best season) and his whisker crop may be mowed down by the humming razors in his shoulder pack.

Gem-lectric division of American Safety Razor Corp. is urging "Make his face light up 365 days a year" with a "Face-Lite" shaver in 15 to 25 newspapers of as many cities. A built-in light illuminates the path of the shaving head. Space is also being used in *S.E.P.*, *Collier's*, *Esquire*. Ads run until just before Christmas, says Federal Agency, N. Y., in charge.

Schick Dry Shaver, Inc., Stamford, is advising "give him an extra bathroom for Christmas." Said e.b. consists of a \$17.50 de luxe "Colonel" model Schick shaver, a mirror, comb, place for shirt studs, etc., and "Whisk-it" catchall for whisker clippings—all in a leather covered "camera" case designed by Raymond Loewy. "Shaving need no longer be confined to the bathroom, but can be done without fuss or muss" at any electric outlet.

Newspaper copy is running in 55 cities, in *Life*, *S.E.P.*, *Esquire*, *The American Weekly*, in color in the Three Markets Group and in the Kansas City *Star* and *Post-Dispatch*, and in roto in the Midwest Gravure Group. Lennen & Mitchell, N. Y., agency, will spend \$100,000 for space between November 15-December 15.

The Whisk-it is included with the "Colonel" and "Captain" models (the

latter costs \$12.50) as a gift. Schick dealers may order three or more shavers by Western Union night letter at the company's expense.

### Tea 'n' Bread 'n' Cheese

Tea, bread and cheese—natchell bawn pardners—are being jointly advertised by Tea Bureau, Inc., four big bakeries, and Kraft-Phenix Cheese Co.

First ad was a color page in *The American Weekly*. Pages and half-pages, some in color, follow in *Life*, *S.E.P.*, *Good Housekeeping*, *Woman's Home Companion*, and comic sections of 57 Sunday newspapers. William Esty, N. Y., is the agency.

Kraft-Phenix and Tea Bureau are working nationally with displays and display material going to K-P's retail outlets. General Baking Co.'s Bond bread covers its New England, Pennsylvania and Florida territories with co-op displays. Ward Baking Corp. will blanket New York. Purity Bakeries Corp. covers the Mid-West; Quality Bakeries will put displays in its 188 bakeries c-to-c.

Dr. James A. Tobey, director of the American Institute of Baking's department of nutrition, will circularize other bakers nationally urging them to boost bread and tea.

This three-way effort was engineered by Tea Bureau, N. Y.

### School Days

"If *you* have any feeling of inadequacy" the "Success School" of Richard Hudnut, N. Y., will graduate you into a "chic, well-groomed" minx "poised,





"In my judgment business groups organized to fight the consumer movement . . . will promote its progress."



Stranis Studio

BY  
W. T. NARDIN

*Vice-President and General Manager,  
Pet Milk Sales Corp.,  
St. Louis, Mo.*

The consumer movement grows because of widespread public belief that business prospers through imposing on consumers. Every business concern can help rectify this misunderstanding by pursuing certain specific policies.

## Business Can Meet the Challenges Arising from the Consumer Movement

**EDITOR'S NOTE:** As previously reported in SM, one full day of the Annual Meeting of the Association of National Advertisers, held in Hot Springs the last week of October, concentrated on an unbiased but most comprehensive survey of the consumer movement. While officially ANA neither advanced nor adopted a program of action, W. T. Nardin delivered what the editors of SM regard as a significant keynote address on the currently vital subject of consumer movements. We, therefore, reprint his talk, while also calling attention to his broad background. In addition to holding the vice-presidency of Pet Milk, Mr. Nardin serves as chairman of the board of the Evaporated Milk Association, as a member of the Social Security Commission of the State of Missouri, and as chairman of the board of governors of the 8th Federal Reserve District.

**F**IRST, is the consumer movement something which we, as business men, may ignore and trust the passage of time to eliminate from our horizon? Second, is it a movement about which something needs to be done, and can be done? The answers to these questions seem to be pretty obvious. To the first question the answer is an emphatic "No." To the second question, the answer is an equally obvious "Yes."

But in the discussion of a situation so important and so complex, no answers to any question about it, however obvious the answers may seem, should be permitted to stand unsupported by analysis of the circumstances out of which the situation has arisen. And one can't go far in such analysis without feeling himself impelled towards the conclusion that no observing person should be surprised at the eruption at this time of the consumer movement.

Powerful forces have provoked its conception and provided the needed

sustenance for its vigorous growth. And while one of the chief manifestations of the consumer movement is criticism of advertising, only a narrow consideration of the subject permits the conclusion that advertising is the only, or even the chief provocative cause of the movement. The causes are broader and deeper than mere misunderstanding or distrust of advertising. They spring out of lack of understanding or misunderstanding, and even distrust, of the whole institution of business.

That is easily understandable. Candid and intelligent consideration of conditions existing during the last ten years makes easily comprehensible dissatisfaction with what business has wrought. With millions of men willing to work but unable to find employment, is it strange that those millions and other millions who sympathize with them should be dissatisfied with, even distrustful of, the institution to which alone they can look for employment?

When we recall that business for years boasted—and, unfortunately, I think, is still boasting—of the great accomplishment of business in furthering the welfare of the people in their enjoyment of the physical articles of production, is it strange that those who now suffer from the lack of things of which we were the boastful providers, should blame us for our failure to provide?

We claim the credit for what was provided in good times. Can we expect to escape the blame, or even unfair distrust, for our failure to provide when times are bad? It were surprising indeed if there should not come out of such conditions, such manifestations of discontent and distrust as are

represented by the consumer movement.

It is not strange that out of such conditions political philosophy should spring up, tending, in the minds of honest men, to provoke the inquiry whether there was not grave disregard on the part of business for the welfare of the consumer; tending even more strongly, in less honest minds, to provoke the overt act of seizing upon the public discontent, wrongly, even with false and deliberate purpose, to charge to business the definite desire and intent to impose upon consumers.

Nor is it strange that in this new movement, sprung from the soil of discontent, there should be unintelligent and disproportionate blame imposed upon the most lately developed and most conspicuous instrument of business activity—advertising. That line of reasoning is not entirely without logic; neither is it contrary to business experience that in the newest device most imperfection and fault may be found.

Can we not, from these considerations, with no reservation conclude that a movement so broad, and arising out of such powerful influences, is one that cannot be ignored? It seems so to me.

Other considerations touch the question of whether something needs to be done that can be done by business about the consumer movement. In my judgment business groups organized to fight the consumer movement will not retard the movement. They will promote its progress. To attempt to stop the consumer movement by characterizing it as a "crack-pot" idea of irresponsible consumers would be a tragic mistake. To attempt to stop the movement by the adoption of platitudinous

*(Continued on page 80)*



A. O. Buckingham



Paul B. West

# ANA Pilots for 1940



M. H. Leister

The annual election of officers of the Association of National Advertisers, held during the association's convention at Hot Springs, Va., a fortnight ago, made A. O. Buckingham, vice-president of Cluett, Peabody & Co., Inc., new chairman of the board. Paul West, for a number of years president, retains that post. M. H. Leister, sales and advertising manager, Sun Oil Co., was made treasurer, succeeding H. W. Roden, president and advertising manager of Harold H. Clapp, Inc., who was moved up to the post of vice-chairman. Other vice-chairmen are D. P. Smelser, of Procter & Gamble Co., and Leo Nejelski, assistant general manager of the Pepsodent Co., both re-elected. A. T. Preyer, vice-president, Vick Chemical Co., and retiring chairman of the ANA, automatically became a member of the board of directors. New additions to the board are H. M. Warren, advertising manager of the National Carbon Co., and Keith J. Evans, manager of the sales promotion division of Inland Steel Co. Harold B. Thomas, president of the Centaur Co., and Gordon Cole, advertising manager of Cannon Mills, Inc., were re-elected directors.

*Photographs of  
Messrs. West and Roden  
by Blank-Stoller; Mr. Thomas,  
by Bachrach; Mr. Cole, by Blackstone;  
Mr. Evans, by Koehne; Mr. Smelser,  
by W. B. Poynter; Mr. Nejelski,  
by Valentino Sarra.*



D. P. Smelser



H. W. Roden



Leo Nejelski



A. T. Preyer



Harold B. Thomas



Gordon Cole



H. M. Warren



Keith J. Evans



# How Can We Get Our Product into the Limited Price Variety Stores?

**A** DEVELOPMENT that should be of considerable importance to sales managers of numerous manufacturers of advertised products has been taking place in that retailing institution still known to many by the label "five and ten." This development should particularly interest makers of drugs, cosmetics, wearing apparel and accessories, electrical supplies, hardware, dry goods and notions, soda fountain items, confectionery and jewelry. (Incidentally, this same development, it will be seen as this article unfolds, can be of interest and importance to package designers, package manufacturers, makers of shipping containers, and counter display cards, as well as advertisers.)

The basic change that should put the old five and ten cent store up for a reappraisal by many advertisers lies in the fact that an ever-increasing number of such stores are no longer limited by the prices of five and ten cents. Their prices are, in many cases, not only five and ten, but 15¢, 20¢, 25¢, 50¢ and \$1. In some instances, in some chains, certain specialty lines that sell at prices higher than \$1 are carried. The label "five and ten cent store" is a misnomer. The correct label today is "limited price variety chain."

It may well be said: "This is no news." However, it can be emphasized at the same time that the significance of this news has not been too widely grasped by advertisers. The reason seems to lie in the fact that an old time misapprehension lingers on, a misapprehension that can be summed up in a few words: "Quality products could not find a place in a store full of articles retailing at five and ten cents." Valid or not for its day, this idea should no longer becloud an advertiser's mind. Quality finds its place in the limited price variety store today. Let's look at some facts.

The broadening of price range, obviously, has meant a wider variety of goods. With this increase in variety, due to the fact that this type of outlet operates on a fixed retail price policy—a significant point that should always be kept in mind—competition between these outlets has been increasingly on a basis of quality of product.

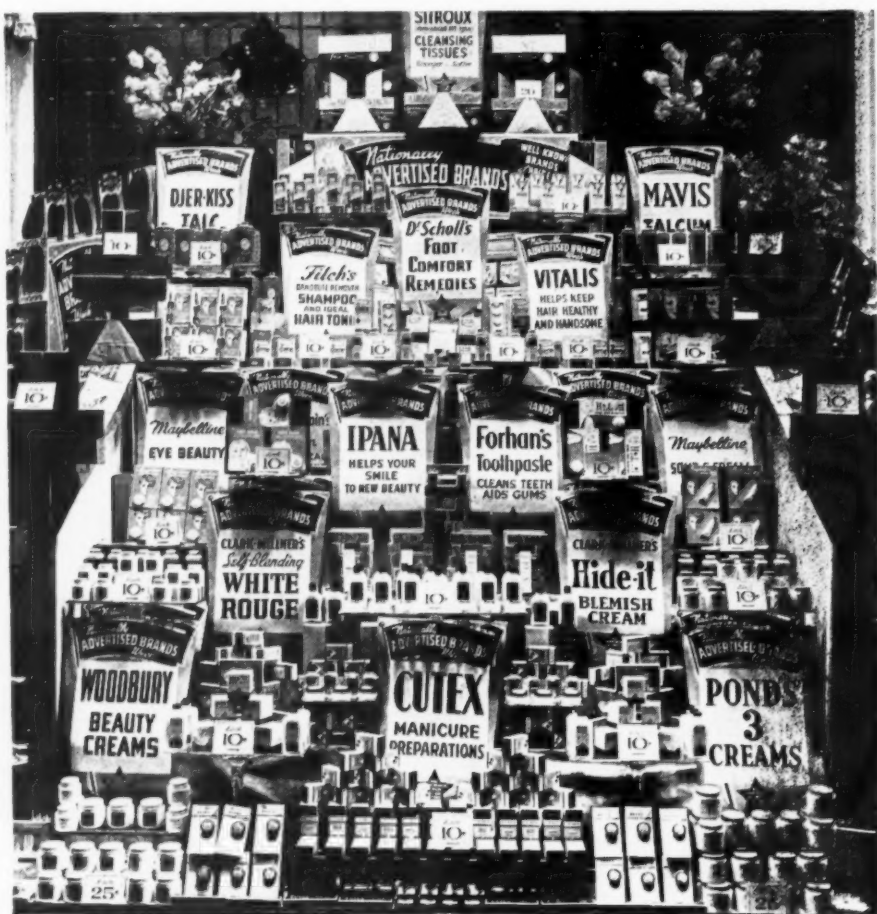
Such competition definitely favors products which have established a quality story in the public mind through advertising.

The purposes of this article:

1. To give a quick picture of the change that has taken place in the "5 and 10," and its significance to advertisers;
2. To indicate the present size of this market;
3. To summarize the rules of the selling game which advertisers who are profitably in it have learned.

BY

ALBERT E. HAASE AND T. H. McCLURE



This window cram-jammed with big-name toiletries was produced by a New York Woolworth store for the 1938 Nationally Advertised Brands Week promoted annually by *Chain Store Age*. Sharp-eyed readers will spot the working out in practice of some of the rules laid down in this article: Specially sized and designed packages; tiny packages, such as the rouge tins and tubes of cream, clamped to cards for greater display and sales appeal.

Why? Because a corner-stone policy in the development of the fixed price variety store has been that of letting the product sell itself. There is no selling pressure from the girl behind the counter. This policy, as the variety

of products widens, naturally works to the advantage of the product which, through advertising, has told a story of its value, its quality and uniformity to the public.

These are two basic reasons why an

SALES MANAGEMENT

advertiser who has not given careful consideration to the limited price variety chain in recent years should probe the subject again.

Another basic reason is the volume of business done by the limited price variety chains in relation to the total volume of retail business of the country.

The estimate for 1939 is that more than one billion dollars' worth of goods, at retail prices, will flow through these chains. To obtain some idea of what a large slice of the retail business of the country is done in these stores, contrast this figure of one billion dollars with that of 33 billion dollars, the round figure in the latest government report (1935) for all goods and commodities of any kind and description sold at retail. (In making this comparison it should be borne in mind that this government figure of 33 billion dollars on all retail sales includes automotive and filling station sales.)

### Concentrated Distribution

This billion-dollar-a-year variety chain business is handled, by the way, in some 5,000 stores; while the remaining 32 billion retail sales go through more than 1,100,000 other retail outlets.

On certain types of products—for example, such as cosmetics, toilet goods and toilet soaps—these 5,000 limited price variety stores take an enormous slice of the retail market. On these particular types of products the annual volume in the variety stores amounts to about \$100,000,000 a year or approximately one-fifth of the total retail volume of all outlets on the same products.

There is concentration of volume within the chain field, too. Ten chain systems will account for nearly \$900,000,000 of the billion dollar variety store volume. Fifty smaller chains will make up the remaining \$100,000,000.

The annual volume of individual stores in the ten leading limited price variety chain systems varies from \$50,000 to \$2,000,000 a year.

Policies on sizes of stores vary. Some chains specialize in large stores. Others follow a policy of operating small volume stores. Kress, for example, has the highest average sale per store—about \$375,000 a store per year. The Newberry and McLellan chains, on the other hand, average around \$100,000 a year per store. Woolworth, the largest chain in total volume of sales as well as in total number of outlets, averages about \$150,000 a year per store. One Woolworth store, it might be pointed out,

has run as high as \$2,000,000 in sales in a single year.

These fixed price variety stores differ from each other in location policy as well as in individual size policy. Kress, for example, has confined its stores to the South and Far West. Only eight out of 236 are north of the Mason and Dixon line and east of the Mississippi. Kresge stores are almost entirely in the territory not covered by Kress. Woolworth has a general coverage. Other chains are statewide only, or having started as a state chain are now in the states adjacent to their original operations. Such a chain is G. C. Murphy Co., one of the strongest of the small chains, with 205 stores located in Pennsylvania, West Virginia, Maryland and Ohio. The compactness of this chain is one of the reasons for its unusual success. Another example of compactness is the Rose chain, having over a hundred stores in North Carolina, Virginia, South Carolina, Tennessee and Georgia.

So much, then, for a picture of the size of this outlet and its location.

We turn now to the third and main part of this report—a discussion of the rules of the game which an advertiser must learn if he wants to cultivate the limited price variety store as an important outlet for his product.

The first rule of the game is to know how to price your product.

Merchandising a product to the limited price variety chains is the reverse of the usual method used in selling the regular run of chain stores and independent retail outlets. The usual method is this: Determine your



### About the Authors

Author Haase has had a wide and deep experience in sales and advertising. He has been: Managing director of the Association of National Advertisers; for ten years associate editor of *Printers' Ink*; president of Townsend Advertising Research Institute; co-director with Dr. Miller McClintock of a study which resulted in a formula for evaluating window display circulation; currently he is doing research for Vick Chemical in new product development. That's only a few of his accomplishments.

Author McClure, of the McClure magazine and syndicate family, has sold goods to the "5 and 10s" since 1921 when a friend in Germany sent him 120,000 cigarette holders to liquidate. He has sold, or been a sales consultant on, candy, groceries, hardware, toys, and almost everything else you can name to the nickel-and-dime chains.



own production costs, your overhead costs; indicate the profit you think justified; set up discounts for wholesalers and retailers; add up all the figures and then after giving proper consideration to competition, arrive at a retail price.

If you want the limited price variety business, however, you start with the fixed retail prices of the stores you desire as your accounts and build your product at a cost which enables it to be sold by these retail chains at one or more of the fixed prices within their range.

In order to do this the first point to consider is the mark-up policy of these stores. They have definite mark-ups which experience has shown them they must have in order to make a profit. Information on this point with regard to a specific type of product is gladly given by them. In this article the situation on mark-ups can only be summarized by the following general statements:

### Mark-up Averages 37%

The average mark-up for all goods sold through fixed price variety chains is about 37% on the retail price. Fast-selling items may carry a smaller mark-up and slow-moving items may require a mark-up as high as 50% of the retail price.

The next step to take after obtaining information on mark-ups is to study your costs of production and from such study determine what size or grade of quality of your product you can sell profitably at one or more of the fixed prices that prevail in the chains you desire to sell your goods.

For many manufacturers this means introducing one or more new package sizes. (An aside to package designers and manufacturers: Here is a chance for new business for you.)

For some businesses package sizes for limited price chains may remain fixed for a considerable period. For others, changes in size may be necessary from time to time. Changes in sizes, for example, would be required fairly frequently in the case of peanut butter—a product for which the raw material market is constantly changing. On this type of product fixed price stores have their greatest sale at ten cents a unit. Their costs of operation require that they buy a ten-cent seller at from six to seven cents per unit.

Despite fluctuations in the cost of the raw material these chains expect to continue to buy at this same price of six or seven cents a jar. This puts the problem of what to do about price fluctuations in raw materials back in the hands of the maker of a product



such as peanut butter. The only way he can handle that problem is to change the size of the unit. This means, for example, that when peanuts are at a low price of, say, five cents a pound, limited price chains sell an eight-ounce jar of peanut butter for ten cents, and when the price for peanuts is higher, say, 11 cents a pound, the limited price stores sell a six-ounce jar for ten cents.

A change in unit size, however, is not the answer on all types of products made of raw materials which fluctuate in price. Consider children's cotton hosiery, for example. Limited price stores do not feel that they have anything to gain if a drop in cotton prices enables them to buy children's cotton hosiery which they retail at ten cents, for five cents, instead of six and one-half cents. They prefer to continue to buy at six and a half cents, but they expect and demand a better quality stocking to retail at ten cents.

The emphasis which we have given the subject of pricing in the rules for selling limited price variety stores indicates its basic importance. However, ability to price properly is not the entire answer to success. There are other problems that must be met and answered.

Important among these questions are:

- (1) the size of your shipping units;
- (2) the location of your shipping points;
- (3) the nature of your terms and billing practice;
- (4) ability to adapt your product to requirements of variety stores for counter display; and
- (5) willingness to supply display material that meets the requirements of variety stores on size and style.

A summarization of experience gained in dealing with these questions follows:

#### **(1) Size of Shipping Unit:**

In packing for limited price chains it always must be remembered that in most stores girls often go back to the stockroom to get new supplies from shipping containers. For this reason size and weight must be given serious attention. Sixty pounds should be the limit of the weight of the shipping container and its contents. A container which, with its contents, weighs only 30 pounds is far better.

More and more manufacturers, as they realize the importance of proper size and weight of shipping containers, are using the 30-pound unit made up of separate packages of six boxes of five pounds each.

They are doing this because they know that salesgirls are far more willing to rush back to the stockroom when an item is selling fast to get a 15- or 30-pound carton of the product than they are to call a stock clerk and get him to wrestle and fumble with a 60-, 80-, or 100-pound shipping case.

#### **(2) Shipping Points:**

It is the general practice for most limited price stores to buy on a basis of f.o.b. fac-

tory or warehouse. Occasionally they may buy on a basis of f.o.b. store. If they do buy on the latter basis they continually compare prices quoted on this basis with competing prices that are quoted f.o.b. factory or shipping point. If the difference on an f.o.b. store quotation is greater than the freight charge on an f.o.b. factory or warehouse quotation, then the business will go to the competitor quoting f.o.b. factory prices. Freight charges, it will be seen from this statement, are highly important to a limited price store.

The reason for the importance attached to freight charges lies in the fact that such charges affect the profit record of each individual store. Shipments are invariably made direct by the seller to individual store. This being so, it is an easy matter for a chain's headquarters to keep realistic figures for each store on freight charges. There is probably no group of retail men who can quote freight rates more readily than managers of limited price variety stores.

Because of this situation any manufacturer who is desirous of doing a large volume business with limited price stores must give earnest thought and attention to the question of the location of his shipping points in relation to the location of the individual stores he wants on his customer list for any given chain system.

It can be put down as a foregone conclusion that if all things are equal between two competitors for the trade of a particular limited price store, then the one with the nearest shipping point to that store will get the business.

#### **(3) Terms and Billing:**

The rate of cash discount and other terms of sale must conform with the requirements of the chain with which business is done. So also must the seller's billing methods. The usual rate of cash discount is 2% within ten days after shipment has been received. It is the aim of most limited price stores to try to dispose of a shipment at retail within the cash discount period. It is for this reason that some manufacturers will find some chains endeavoring to extend the cash discount period.

It is the general practice to require a seller to send an invoice for each shipment to each store at the time the shipment is made. Manufacturers must be prepared to follow this practice. When the individual store receives the shipment it is checked at the store with the covering invoice and if correct the invoice is approved by the store manager and sent to the chain's headquarters. At headquarters the invoice is again checked. This time it is checked against the original order, and if found correct is paid after an agreed-upon cash discount has been taken.

#### **(4) Display of Product:**

Products sell best in limited price variety stores when the products themselves or their packages have eye appeal. There is, as we have said before, no such thing as sales effort on your product by retail clerks. A manufacturer, therefore, can't afford to let his product get lost in the shuffle. He must devise ways and means of making it stand out and catch the eye of the passer-by. When the product itself cannot do this, then the ingenuity of a package or display expert should be brought in to solve the problem.

Thought and ingenuity can usually find a way to keep a product from being lost in the crowd. Such has been the case, for example, in recent years for many small

items, such as perfume, lipsticks, novelty jewelry and small hardware novelties. Makers of such products have given their products eye appeal by clamping or otherwise securing each single item to an eye-catching card of sizable proportions which the purchaser of the product gets with the product itself. This card device, experience has shown, not only has eye appeal but also serves two other purposes:

(A) It enables manufacturers to use some of the space on the card to do a selling job for their product—a job which is not expected of the retail clerk; and (B) it helps retard shoplifting—a job highly appreciated by store managers.

Perhaps, at this point, an aside to printers and lithographers is in order. It is this: There are many small items selling through limited price stores which could use this card device. Some sizable printing orders can be built up by a study of the limited price variety market.

One more statement on product display before we leave the subject: Strive to get open counter display for your product. Items that have open counter display sell much faster than those which are put behind glass coverings.

#### **(5) Counter Display Cards:**

Closely allied to the matter of the display appeal of a product itself or its packaging is the matter of counter display cards. Most limited price variety chains have rigid rules on this subject.

The sizes that may be used and the message to be carried are regulated by the chains. So also are signatures and type styles used on such cards.

The sizes generally acceptable are: 14 by 22 inches; 11 by 14 inches; 7 by 11 inches; and 5½ by 7 inches. The message the display card may contain is usually restricted to the broad classification into which a product falls, such as candy, perfume, etc., its price and the name of the chain store system itself.

It will be of particular interest to owners of well-advertised products to know that some chain systems are now permitting the name of the advertised product to be used on display cards instead of restricting such products to a broad and general classification or label.

An easel is not necessary for a chain store display card because it is the practice of most stores to insert the display card in a metal standard supplied by the store.

Display cards should never be printed until the proposed card has received full approval at the headquarter's office of a chain. No store manager is allowed to use any display card in his store unless and until he receives instructions permitting him to do so from the head office of his company.

\* \* \*

The foregoing report has been submitted for review to several manufacturers now successfully selling to limited price variety stores. It is their unanimous opinion that all of the major rules have been set forth and that this report can be of much practical help to advertisers interested in this market.

One reviewer suggests that we add a few words on the subject of "breaking into this market." His suggestion is very much in order and we hasten

(Continued on page 59)



# Once they spoke in smoke—



## TODAY, THE TELETYPE FLASHES COMMUNICATIONS INSTANTLY, IN WRITING!

Slowly, with Indian patience, men once sent messages in smoke (if the visibility were good). Today, Bell System Teletypewriter Service flashes messages any distance, in any weather, *with typewritten originals and carbons at all connected points, simultaneously recording every word exchanged.*

Like alert salesmen or the latest factory equipment, this modern communication method is important to every business that's progressive. Its record

proves it. Careful application of Teletypewriter Service has helped a large steel company co-ordinate production . . . put a small investment house in a better competitive position . . . improved customer service of packers, textile houses, and thousands of other concerns.

You may need it and not know it. The quickest way to find out is to call a Bell System representative through your nearest telephone office.

### BELL SYSTEM TELETYPEWRITER SERVICE

NOVEMBER 15, 1939





It's fun to see the magazines getting fatter, for the volume of advertising is a fair barometer of business. Of course, the automobile shows had something to do with it, but the October 14 issue of the *Saturday Evening Post* ran to 160 pages exclusive of cover.

I'm probably late with this observation, yet I haven't seen it anywhere; namely, that General Electric salesmen are GE-men.

In his announcement spread, Leo McGivena, ace copy-man who has just gone in for himself, mentions the small-town gal who drops into the neighborhood drugstore for a coke and a look at the pulps. I've often thought such a store would be a swell outlet for dance records. Maybe this, too, is being done, but again I haven't seen it.

Hinds Honey and Almond cream is now using the logotype I suggested a few years ago: "Hinds for Hands."

C. W. Simpson, s.p.m. for the Art Metal Construction Co., tells me of the pat label Mrs. Simpson put on one of the mite-boxes issued by their church, to remind the family what to do with its small change: "Pennies for Heaven."

I'd like to do some reminding myself. Radio announcers should take the word of Messrs. Funk & Wagnalls that "premier" rhymes with "creamier."

And, speaking of the dictionary, I come to Tessie O'Paque, who does so many things by ear. She jumped to the conclusion that Cole Porter is "a traveling agent of a religious society."

The automobile shows bring to mind that Mutt and Jeff also have a Body by Fisher.

As this is written, the Allies are said to be waiting for cold weather before putting the heat on. Strange Winterlude!

There is a Chew Street in Germantown, Pa. An enterprising chap might

open a rotisserie there with the pertinent if inelegant title of the Chew & Spit.

I'm still a sucker for contests. The Atlantic Coast Line Railroad and the Florida East Coast Ry. want a name for their new Miami-New York streamline. I sent these: "Quicksilver" and "Coastmaster." I'll let you know.

Reading back, there must be a better use for the word "Winterlude." It could become a synonym for the Winter vacation. If you see any way to use it, help yourself.

Speaking of Winterludes, Old Point Comfort's Hotel Chamberlain urges one and all to "Come to the Point."

Lovers of liberty unite in the hope that "Finnish" may never be spelled with one "n."

Propaganda is so often IMpropaganda!

The cleaning-woman was rattling the tongs, poker, and shovel downstairs. As this familiar sound drifted upstairs to the man at the typewriter, he mused: "Fireside chatter." Columnists are incurable.

I like that little ad inserted by "one of the ten millions" in an advertising journal, with headline: "Business is picking up—until you look for a job!"

The triple play—Mussolini to Hitler to Stalin—illustrates in reverse progression that delightful old couplet: "Big fleas have little fleas upon their backs to bite 'em; and these small fleas still smaller fleas, and so ad infinitum."

Submarines, obviously, are paid for out of the sinking-fund.

CBS might dedicate a song to NBC: "Network, Why Are You Blue?"

Title for a booklet on slimming: "Sylph-Control."

All right, so I'm playing up to my sponsor; so what? I still insist that

the piece by Harry Simmons in the special October 10 issue of SM on how to handle salesmen was a masterpiece.

Berlin version of a current ghost-song: "I Saw a Man Upon the Steppes."

That was a beautifully conceived and executed page for the Mercury V-8, headed "Success Story of the Year." Agency, N. W. Ayer.

Ed Pope sends in a capsule-review of *Hollywood Cavalcade*: "Big Klieg stuff."

Slogan for an unemployed man: "Off of the benches by Christmas."

One of the most sagacious observations Winchell has ever made is the one about our friends being those who hate the same people we do.

Scotland has its Firth of Forth, but bottles its Scotch in fifths. So what? So just an observation on an Indian Summer day.

Last night, which was Sunday, a station came roaring in on the short-wave with all the power of a local. A marimba-band playing *Tales from the Vienna Woods*, followed by a flaming version of Jimmy Dorsey's *Josephine*. It was Guatemala City. London, between war bulletins, acted out in fairy-tale fashion the legend of The Cat Who Walks Alone. Paris paid tribute to Poland through Polish composers, played their music. In New York English, a young man in Berlin said the Western Powers were lying about the real aims of the Reich. A vaudeville audience in Havana was applauding a native skit, followed by a singer who could have been Ginny Sims or Bee Wayne. Somehow or other, it made war between peoples who are fundamentally alike seem fantastic and foolish.

Pun to end puns: Wanamaker anything out of it?

Ruth Kraus writes: "See if you can tell what's wrong with the Petty gal drawing in Old Gold's 'Zip—It's Off' ad in November *Esquire*. The slide-fastener on the dress is on the right side instead of the left . . . fundamental, my dear Watson." Right or left, Ruth, artist Petty was interested chiefly in what the tire companies used to call "Quick Detachable."

T. HARRY THOMPSON

SALES MANAGEMENT

# Taxes? Farmers Prefer Cyclones!

As result of research and organization of tax reform groups by The Farmer-Stockman Oklahoma farmers are paying close to a minimum of taxes ... pocketing millions a year.

*See the Farmer.  
The Farmer is angry.  
Why is the Farmer angry?  
He is angry because he is paying  
his taxes.*

THAT'S the nice way to put it in the primer for the little folks. As man to man, he hates their guts. A farmer will kick and cuss more about a little dab of taxes than a cyclone.

Out here in Oklahoma his kicking and cussing—and our help—have got results. The farmer isn't paying high taxes any more.

During the 20's the tax load built up, levy on levy. It became too big to carry. One abuse after another crept into schools and counties.

We of The Farmer-Stockman staff dug into tax records, put our finger on waste and graft, called meetings of farmers and gave them the facts. We then told them how they might organize tax groups. We furnished the by-laws.

That's all they wanted to know—how to bring taxes down. After we helped farmers in 21 counties to set up taxpayers' associations the movement took care of itself. It swept the state.

The cost of local government dropped 20 to 50 percent in the various counties.

THE next attack was on state taxes. In Oklahoma an amendment to the state's constitution abolished ad valorem taxes in support of state government. Following, an exemption of taxes on homesteads in amount of \$1,000 assessed value was placed in the constitution. Not content with that record the

TAX MEETINGS HELD IN 21 COUNTIES



FARMER-STOCKMAN EDITORS AND TAX EXPERTS EXAMINE COUNTY TAX BOOKS

legislature placed a limit of 15 mills on taxes to be levied for support of all local government.

As the result of these acts the farmer is paying close to the minimum of taxes. He has about every protection in the security of his home that the law can give him.

THE FARMER-STOCKMAN didn't do all this. We merely started the ball rolling. We helped to create the public sentiment that made possible changes in the organic law. That is all a paper can do—present facts and arguments and let public opinion bring about the results.

What did this reduction amount to? The total cost of local government in Oklahoma reached a peak in 1930-31 of \$92,427,757. After the squeeze, it reached a low point in 1934-35 of \$68,224,759. So here is a saving of \$24,202,998 in one year over the fourth year previous. Farmers put half that amount in their pockets as a net gain. They have saved that amount each year since.

Lower taxes is a basic reform. Taxes is a cost of doing business. The less taxes a farmer pays the more goods and services he can buy.

*Deane S. Smith*

Editor, The Farmer-Stockman

WHEN, from time to time, the occasion has demanded, Farmer-Stockman editors have forsaken their roles of soft spoken advisers to their nearly a quarter million subscribers and have turned ardent crusaders for the best interests of the farmers of the entire Southwest. The fight against burdensome taxes is but one phase of this sort of constructive editorial crusading that has earned for The Farmer-Stockman the distinction of being the most powerful influence in the Southwestern agricultural area.



Oklahoma's 1930-31  
Tax Burden Towered  
to \$92,427,757.

1934-35 Taxes Slashed  
to \$68,224,759 — A  
\$24,202,998 Saving.

## THE FARMER-STOCKMAN

THE OKLAHOMA PUBLISHING COMPANY  
OKLAHOMA CITY OKLAHOMA

THE OKLAHOMAN AND TIMES \* MISTLETOE EXPRESS \* WKY, OKLAHOMA CITY \* KVOR, COLORADO SPRINGS  
KLZ, DENVER (Under Affiliated Management) \* REPRESENTED NATIONALLY BY THE KATZ AGENCY, INC.



# What Can We Do About Jobbers' Salesmen Who Are Neglecting Our Line?



A 40-page catalog jammed with merchandise prizes ranging from jewelry to kitchen appliances, binoculars to bicycles was used by Seminole Paper Corp. to spur dealers' salesmen to greater effort during its "Summer Sell-Ebration." Back cover of the catalog is a blank for listing customers' names, amount of sales, and other pertinent data.



The use of merchandise prizes is one practical method for winning greater push for your goods from the men who contact your dealers. This article lays down some simple rules for insuring the success of such an offer.

BY  
FRANK H.  
WAGGONER

**M**OST goods reach the dealers' shelves through the jobbers' salesmen. The exception is where the manufacturer sells to the dealer direct, through his own sales organization.

Because these jobbers' salesmen constitute so important an artery of distribution, whatever will contribute to the fuller and freer flow of the products to the retail stores is of the utmost importance to every manufacturer employing the jobber distribution method.

Over one's own salesmen a manufacturer has control. But it stops there. When the goods have passed into other hands over whose movement the manufacturer has no jurisdiction a different situation exists. The goods are the jobbers'. Their salesmen work for them and are under their control. If they turn in satisfactory sales records both jobbers and salesmen are satisfied.

## Maintaining "Remote Control"

On the other hand, the interest of the manufacturer has not abated one single particle. His responsibility continues until his goods not only have reached the dealers' shelves, but have passed on to the consumer, and in an aggregate volume that will keep the plant going continually. It is important for him to extend what approximates a sales control over the men who are selling for the jobbers, and to do it in a way that will not create friction, and yet will, within reasonable costs, insure as wide and complete a distribution as possible and will keep that distribution in a fluid, flowing state.

In maintaining this important "remote control" premiums have proved a most valuable ally.

The use of premiums to jobbers' salesmen, in both form and substance, depends upon the situation confronting the user. If a new product is being introduced, or the downward course of the sales curve needs to be checked and turned upward, or sudden competitive action calls for as sudden a counter attack, the premium offer to the jobbers' salesmen will be for a definitely limited duration, and the inducements strong enough to spur the most sluggish salesmen to a quickened tempo.

Where the product is in a highly

competitive field and is a single item or a limited line that is not purchased frequently, particularly if the profit margin is narrow, then the offer to the jobbers' salesmen may properly be of a more permanent character, permitting the men to acquire desired premiums as the result of sales made over a period of weeks.

In connection with the offer of premiums to jobbers' salesmen there are two rules that should be religiously observed.

One is that before any offer is made to a jobber's salesmen the consent of that jobber must first be obtained. Those men are under the control of the jobber and if any outside influence is to be brought to bear on them it must be with the prior consent and approval of their employer. Where the premium offers are within reasonable limits and do not distract the men from their routine work or cause them to neglect other lines, possibly carrying wider profit margins, the consent to the offers is practically a matter of course.

## Merchandise Best Prizes

The second rule is never to make the offer one of cash, but always of merchandise premiums. Jobbers generally look upon the offer of cash as an interference with their relations with their own men, productive of dissatisfaction when the offer may be withdrawn. Another reason for the use of merchandise premiums rather than cash, even if permitted by the jobber, is that the salesmen receive practically double value in merchandise. Such prizes come to them on a cost basis, usually about half of normal retail prices, whereas winners of cash prizes are forced to pay full retail prices in converting their prizes into possessions.

In addition to the value of a premium promotion in awaking interest of jobbers' salesmen in the manufacturer's products and multiplying the number of salesmen thus interested—resulting in wider and more generous stocking of those products—this type of sales stimulant is attractive also because of the low cost involved. Premium appropriations range from 0.75% to 2% of sales and, like commissions, are awarded only on sales actually made during the time the offer is in effect.



***"ALL RIGHT...  
LET'S GET PERSONAL***

***... I SAY IT'S THE HUMAN TOUCH THAT SELLS!"***

You demand it in your salesmen . . . why not in a magazine?

I know *one* magazine in which Editor and Advertiser join forces around that human urge. They both agree that readers like best the features and fiction that are angled through *people* . . . that have the *personal touch*!

Human as a hand clasp . . . timely as tomorrow . . . it's no wonder The American Magazine rates number one with so many up-and-coming folks who want to get around . . . to *see* and *go* and *do*. People whose pulses are quickened . . . whose purses are opened . . . by this magazine's human appeal!

Every four weeks these people express their opinion of The American Magazine by spending five nickels each for 2,200,000 copies. That

tells you buyers of advertising plenty about how *much* they want it . . . how *thoroughly* they read it . . . tells you even more about the state of their budgets and their ability to buy. For quick, traceable results . . . add them to your audience!





Unlike procedure with one's own sales organization, it is not feasible to set up quotas for jobbers' men to reach, either to qualify or to win. The basis of premium credits is the case or other average unit the dealers order, and the premiums are listed as given for as many credits or points as the times the premium appropriation or allowance per credit or point is contained in the delivered cost of the premium.

It is advisable to offer the men a liberal selection of premiums. Where the offer is confined to a few weeks or even less, a smaller number of premiums may safely be offered. Where the offer is for a longer period, or is part of the sales policy of the user, then the number of premiums should be larger in order that there may be enough to create a continuing inducement to every salesman of every jobber from year to year.

Today, with the development of the service organizations in the premium field, no concern wishing to offer a selection of premiums—whether to jobbers' salesmen, dealers and clerks or to consumers—is necessarily involved in the purchase of a miscellaneous line of merchandise in quantities no man can fix as being necessary, handling them and ultimately attempting to effect a disposition of those remaining on hand and not called for.

Premium service organizations carry the premium articles in stock and make individual deliveries to those entitled to them, being paid only for

those actually shipped. They also either prepare or assist in preparing premium catalogs, and cooperate in the presentation of the plan as set forth in the catalogs or in accompanying literature. Through the utilization of such services any offer of a variety of premiums is robbed of all the usually attendant hazards and details, and the delivered prices charged are usually lower than the premium user could achieve if he had to set up and maintain his own department for such work.

The selection of the premiums is most important. The fewer the number of premiums offered, the more vital becomes a wise selection. It must be borne in mind that those who will earn them are men, most of them with the prime of life still ahead of them. But they usually are either married or on the way toward matrimony and that calls for the inclusion in the list of articles for the men themselves, for the home, for women and children—articles for the home taking high rank.

In connection with the selection of premiums for jobbers' salesmen it is important to make sure that a majority of the premiums are articles the men can secure well within the duration of the offer, if it is for a limited time; or within from four to six months, if it is part of a sales promotion policy. Nothing is so disappointing, nor so calculated to chill enthusiasm, as for a salesman to go through a catalog or premium list and select

items he would like to have and then by reference to the number of credits or points necessary, come to the conclusion that he could not possibly make the required number of sales.

It would be wise to check with a few jobbers and ascertain the volume of your products the average men sell per week, and then, based on the premiums allowance per case, select premiums they can win readily.

Much of the success of premium offers to jobbers' salesmen depends on how the offer is presented to the men. One's own sales organization is in a most favorable position to do this work effectively. In many cases it will be possible to meet the jobber's salesmen when they are in off the road and in a gathering explain the offer to them. It is advisable to have a few of the smaller premiums to show. Each jobber's salesman should be given a copy of the catalog and any accompanying material. Where the men cannot be talked to in a group, their names and home addresses should be secured, if possible, and the catalog and other material mailed to them.

### Turn on Home Pressure

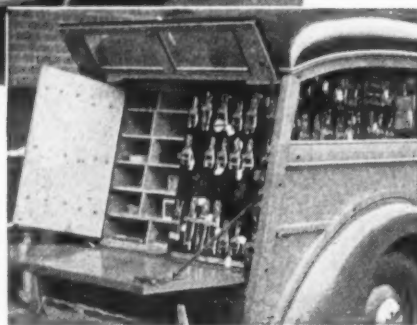
Often a manufacturer whose premium selection includes a set of silverware, will send a teaspoon from the set to the salesman's home, addressed to wife or mother, with a letter stating that John can bring home a full set of so many pieces if he will just bestir himself and be alert to sell as many cases of the product as he can. Where that is not done, it is customary to call attention in a letter to several articles in the catalog or invite the wife or mother to select those she would like to have and then see to it that John brings them home. John usually responds.

Irrespective of the form in which the premiums are presented, whether by catalog or folder, it is important to provide space on which the salesmen may write the names and addresses of their customers to whom they have sold the products, the quantity, and the assigned number of credits or points. Space should also be provided for the salesmen's signatures and a certification by some officer of the jobbers that the men actually did make those sales. On the reverse side should be a form for the easy ordering of the premiums, providing for data as to quantity, catalog number, description, color, size, etc., and the number of credits or points for each premium, as well as the name and address of the recipient.

All premiums for jobbers' salesmen should be delivered with charges pre-



Salesman William G. Hubbard, of the William Schollhorn Co., New Haven, grew tired of lugging around a roll of his firm's "Bernard" line of pliers, punches, nippers, pruners, and other tools. He put the whole line in a Bantam station wagon. Inside the windows are panels with tools attached, and the rear end drops to show more tools. Entering a buyer's office, Mr. Hubbard exhibits a picture of the car and so entices him into the street to see it—and the full list of samples. In the picture at top he is standing beside his midget display room. In the inset at right the end display has been opened up to show



an inner row of bins for tools which are not easily mounted on display panels. The Bantam was a hit at the Atlantic City Hardware Convention.



# **UP to the largest Sunday circulation south of the Ohio River!**

**The Circulation of  
The Courier-Journal  
Sunday, Oct. 29, was**

# **202,383**

**T**his was the highest Sunday circulation in the history of The Courier-Journal.

It is the highest Sunday newspaper circulation in Kentucky, in Indiana, and in all the States South of the Ohio River.

Only nineteen other cities in the entire United States publish Sunday newspapers exceeding 200,000 circulation.

It is 27,000 higher than one year ago; 46,000 higher than five years ago, and 65,000 higher than twelve years ago. This new mark is the result of normal growth, as The Courier-Journal uses no artificial circulation inducements — no premiums, magazines, insurance or ex-

traneous offers of any kind.

The Sunday Courier-Journal is now delivered to nearly one-third of all the census families of Kentucky and Southern Indiana, and to one out of every 3.5 census persons in Greater Louisville. Despite an increase of 65,000 circulation from 1927 to 1939, the national advertiser pays a milline rate of \$1.70 today as against \$1.84 in 1927.

The Sunday Courier-Journal has become, to Kentuckiana families, as indispensable as almost any item on the list of daily necessities, because The Courier-Journal is publishing the kind of newspaper people want to read.

## **The Courier-Journal**

**REPRESENTED NATIONALLY BY THE BRANHAM CO.**

Owner and  
Operator of

### **WHAS**

50,000 watts  
820 kilocycles  
Basic CBS Outlet

paid. The men should not be asked to contribute any cash in connection with the receipt of any premium. Each one should be earned by sales made.

Premium catalogs or lists or folders should be as attractive as possible, printed on good stock and with not too many items on a page, so as to give an appearance of quality throughout. If these general rules are followed, premiums to jobbers' salesmen will result in a most economical and effective extra-jurisdictional control of the

sale of one's products long after title has passed to others. These same jobbers' salesmen will be found prodding the dealers to get behind the products and push them, so that the salesmen may be in line for repeat orders and thus earn still more credits.

However, like everything else that succeeds, the plan must be followed up. Even premiums are not a perpetual motion machine; but given normal care and attention, they yield returns which make a scrutiny of the balance sheet a pleasure.

## Hotpoint Responds to Encore on '38 "Packaged Promotion"

**L**AST year the Edison General Electric Appliance Co., Inc., Chicago, (the Hotpoint line) used a sales-getting promotion that was simple, not costly, and direct. It was called "Make them Buy and Make them Sell."

This year, on almost unanimous request of its distributor organization, it is back. They've rewritten it a bit, changed it slightly here and there to give newness, but fundamentally it is the same. It has been rechristened "Double Action Refrigeration Activity."

"Within 30 days after the campaign opened, distributor salesmen had sold more than 1,600,000 handbills; 1,600 packages of 1,000 each," says R. W. Turnbull, vice-president and general sales manager.

The plan centers around the "Double Action Promotion Package." It is made up of a special window display, 50 full line folders, 50 standard line folders, 100 yardsticks, a special window streamer making a free yardstick offer; 1,000 newspaper reprints, four pages, in color.

This seems very ordinary and unexciting. But when the distributor presents the package each piece has already been imprinted with the dealer's name.

Each package is sold to the dealer for \$4.95. Unless he takes it the package must be written off as a loss. That puts it up to the distributor salesman to do a job of selling then and now.

"You would be glad to pay \$4.95 for three refrigerator sales, wouldn't you?" he asks the dealer. Then adds, "distribute 1,000 of these four-page newspaper handbills. Experience shows that they'll bring you seven live prospects out of which you'll get three sales! It's a tried and tested effort!"

The advantages of the plan to the distributor, as outlined in the promo-

tional material, are:

1. With broadsides already imprinted for the dealer, the distributor salesman can present it in a more personal manner and show that it is ready for immediate use. He acts while the dealer is "hot."
2. Each distributor salesman is duty-bound to make a careful and complete presentation to every dealer he calls on; failure to sell is something that requires explanation.
3. It provides a definite merchandising idea and a service to the dealer. It is low in cost, aggressive, simple and easy to use.
4. It compels the dealer to go into action on Hotpoint refrigeration during the Fall selling season.
5. It keeps the dealers in line for

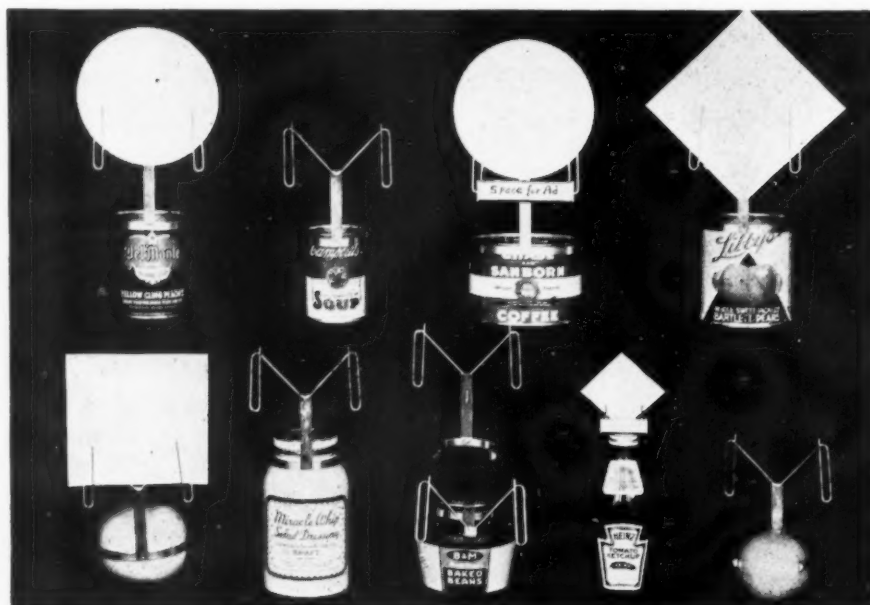
the introduction of 1940 models—less chance for him to go into a competitive line.

Advantages to dealers are outlined as:

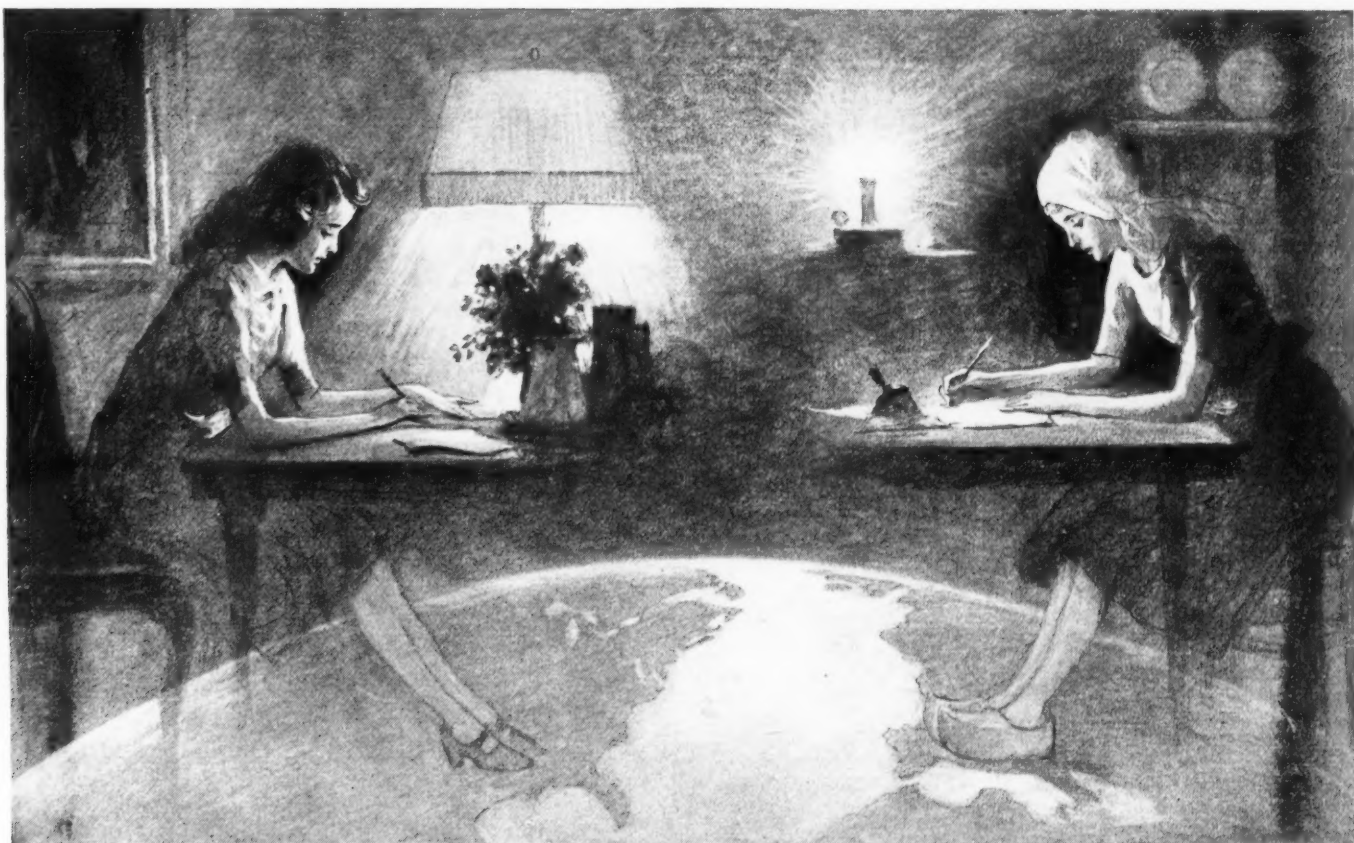
1. Additional profits and turnover at small expense.
2. Here it is right now ready to use with little output of effort.
3. It tells the story to prospects who are not being worked on at this time of year.
4. It gives the dealer a very definite start on competition during the Fall months.
5. There's nothing the dealer can do that costs so little and yet brings in real prospects.
6. Because of the way the broadsides are imprinted, the dealer gets good store identification throughout the neighborhood.

If the dealer for any reason cannot use the broadsides, he can get the remainder of the "package" for \$2.45 freight prepaid. After the material has been accepted the dealer holds a salesmen's meeting and outlines the sales procedure.

Hotpoint products include electric ranges, water heaters, home laundry equipment, dishwashers and waste units, institutional cooking equipment, as well as refrigerators. "Our problem has been to develop a distributor-dealer organization to handle these lines. Frequent and well-integrated company-distributor-dealer campaigns are one of the best means to accomplish this," says Mr. Turnbull.



A Chicago grocer devised these gadgets to mark various items in his store, and soon other grocers, manufacturers of canned goods, etc., wanted them too. Morris Cooper, the inventor, formed Perfection Store Devices to turn them out in quantity. Because the flexible, rustless wire thingamajigs can be bent to almost any size or shape, they are finding a ready market in such other fields as dry goods, notions, hardware—in fact in every sort of store. They even slip onto grapefruit and oranges, holding price tags and selling copy.



*"Who knows how far this chain  
can be forged for world peace?"*

FROM A LETTER TO THE CLEVELAND PRESS



THE CLEVELAND PRESS founded the Foreign Friends Club in 1936. 14,000 school children of Cleveland correspond regularly with 14,000 children in foreign lands. Their foreign friends are scattered through sixty-five countries, some at peace and some at war. Many of the letters are "opened by the censor," but the children who write them are just children—friends in strange environments. To establish friendships on so broad a scale is a tremendous task, involving foreign travel by Mrs. Margaret Johnson, Editor of the Young Folks Page. She assigns pen-pals of the same sex, on the basis of similarity of age, hobbies, and interests.

CORRESPONDENCE is usually in English, but when the American children study foreign languages, the letters are often written in the language of their pen-pals with the enthusiastic approval of Cleveland teachers.

NO AMERICAN CHILD can join the Foreign Friends Club without first demonstrating the ability to write a clear, interesting letter, and without a sincere interest in international friendship and good-will.

Two young girls, who have never met, are true friends and faithful correspondents. One lives in Cleveland, Ohio, and the other in Zierikzee, Holland. They were introduced by The Cleveland Press.

They write about their schools, their pets, their friends, their play—vivid, fascinating letters, in which the daily experiences of a child's life become tinged with the romance of far places.

Through the medium of The Cleveland Press the horizon has been broadened for thousands of Cleveland's children. But more than that, each has a friend in a far country and the correspondence of the Press's Foreign Friends Club leads to mutual understanding.

Understanding paves the road to lasting peace, and lasting peace, shattered temporarily by the present calamity in Europe, is the world's greatest need.

It would be fatuous to claim that the correspondence of children can divert the machinations of misguided statesmen, but to some extent it helps. And The Cleveland Press looks beyond the environs of its own city to the needs of the great world. Cleveland is not provincial and cannot be served by a narrow newspaper. A broad outlook earns the friendship and respect of broad people, and out of it comes **Power—power to do good; power to move goods.**

## The Cleveland Press



A SCRIPPS-HOWARD NEWSPAPER

NATIONAL ADVERTISING DEPARTMENT OF SCRIPPS-HOWARD NEWSPAPERS  
230 PARK AVE., NEW YORK

Chicago San Francisco Los Angeles Memphis Detroit Philadelphia

Member of the United Press, of the Audit Bureau of Circulations, and of Media Records, Inc.



# How Fruehauf Is Organizing for Closer Control Over Sales

Creation of new supervisory jobs, opening of new branches, expansion of the sales force, and a new compensation plan based on salary and bonus, are important factors in this trailer manufacturer's campaign for more intensive working of the market.

**S**ALES of Fruehauf Trailer Co., Detroit, during the past eight months has exceeded those of the entire year 1938 by more than one-third. And there is no occasion to apologize for 1938 sales, as they were only a little lower than those of 1937, which was the company's peak year to date.

The current increase coincides with the inauguration of several changes of policy that have been effected since Roy A. Fruehauf became vice-president in charge of sales, late last year. These changes include:

- Placing all members of the sales organization on salary and bonus;

- Replacing considerable "dead wood" with live timber;

- Appointing seven new regional managers;

- Appointing sales managers of major divisions;

- Opening six new branches.

All of these might be summed up in the one expression—closer sales control.

## "Well Enough" Does Not Do

One is reminded that "a new broom sweeps clean." But the adage does not apply fully to this example. With an excellent product, a position of priority and leadership in the industry, and sound management, Fruehauf has made remarkable progress ever since 1916, when it created a new industry by building the first truck trailers. Sales increased rapidly and consistently, and net profits were earned in every year save one. The need of specialized sales and service was recognized early, and factory branches were established in principal cities to meet this need. At the end of 1938, Fruehauf was operating 51 such branches.

Under the circumstances, it is not surprising that the central office was inclined to look with satisfaction upon this over-all picture and to assume that the orthodox policies being pursued were producing satisfactory results.

In the meantime, though, Roy Fruehauf during the past several years was out in the field, in intimate contact



Roy A. Fruehauf . . . in some aspects, a new broom sweeping clean.

Based on an interview by  
D. G. Baird with

## ROY A. FRUEHAUF

*Vice-President in Charge of Sales,  
Fruehauf Trailer Co.,  
Detroit*

with the problems of sales and sales management. There he tested and proved several innovations. There he acquired ideas, based on experience, which he has introduced nationally since he moved into the central office.

"We are not making changes for their own sake," he said. "Nor are we trying our radical new experiments. We are merely applying management to the details of our business. In the past, we have been busy with general problems; now we have reached the point where we are in position to attend to minor ones as well. Instead of being happy over total results, we are challenging all methods and policies and demanding that each contribute as much as possible to the total. Naturally, we expect the total to be greater as a result.

"Paying salesmen a salary and bonus is new with us only in its national application. The plan was introduced

in several western territories three years ago.

"Our reasons are the usual ones in favor of salary versus commission: Security, confidence, stable income for the salesmen; better men, better work, and better control for the employer. On commission, a trailer salesman's income fluctuates widely. He is the typical prince or pauper. He may have to work for months or years to make a given sale; then when he does get the order, he receives payment for all this work at once. In the meantime, he has to live. And he is not positive that he will make that sale eventually.

"We relieve him of this uncertainty by assuming the risk. We know that if he is a capable salesman and follows instructions, his income will average a satisfactory amount. He may be down one month, but he will be up another month. When sales are slow and competition is keen, he is tempted to resort to tactics of which we do not approve.

"So we tell a salesman we are confident he can average so much per month if he will follow instructions. If he doesn't follow instructions, he will not remain long with us. We are paying our salesmen a minimum of \$200 a month, and if one can't earn that, on the average, he doesn't measure up to our standard.

## Pick of the Crop

"There is no fixed rule for the bonus. It is not based on a commission rate, for example. It is based on the individual salesman's performance and particularly on the profit on his sales. Each salesman has a quota, but merely exceeding quota will not insure him of a bonus. The branch manager goes over each salesman's record for the year and determines the amount of his bonus, if any, while we do the same for the branch managers. Present prospects are that everyone will earn at least some bonus this year.

"Of course we cannot pay just any salesman \$200 or more per month. We don't need to. For this plan enables us to attract the very best salesmen in the transportation field. We had some salesmen—branch managers, too—whose performance was not entirely satisfactory. They have been replaced by men of proved ability, including several executives from other companies in the transportation field.

"With the exception of a few distributors, our product is sold through 57 factory branches. We own and operate these branches and we think we should exercise whatever control is necessary over them. Placing all

SALES MANAGEMENT

**1840-1940**



# **One Hundred Years**

**W**ITH our January, 1940, issue, we complete 100 years of service to the farmers of our territory—Maryland, Delaware, Virginia, West Virginia, North and South Carolina. (The 5th Federal Reserve District.)

The Southern Planter alone, among the farm papers, has withstood the storms of 100 years and this unique fact will be stressed as befits the event.

In addition to our birthday Number (January), we will observe a "Centennial Year" throughout 1940. Each issue will

carry some part of the progress of agriculture during the Century, along with our regular monthly, virile, up-to-date Departments.

Scores of the Nation's foremost advertisers have indicated that they will use our columns regularly during this period in order to cash in on this vast reader interest.

With a circulation of more than 300,000 (ABC), in the Nation's most diversified farming section, an unusual opportunity is offered advertisers through the use of our columns.

## **THE SOUTHERN PLANTER**

*AMERICA'S OLDEST FARM PAPER*

*Established 1840*

NEW YORK:  
441 Lexington Avenue

**RICHMOND, VIRGINIA**

Chicago  
333 N. Michigan Avenue



"You worry about the 20,000,000 prospects, Thatcher—just give us the names of ten we can sell this week!"

★

★

★

branch managers and salesmen on salary and bonus enables us to exercise such control.

"But no one man from the factory can visit all these territories personally. So we have delegated necessary authority to regional managers. We have had some regional managers for years, but last year we were down to only one such executive. Now we have eight or nine and are planning to appoint several others. These men supervise branch operations, control hiring and firing, help close major sales, and represent the company in all matters of policy. Of course the branch managers run their branches, but they consult with their regional managers on all matters of policy. They hire their own salesmen—but not without proper approval; not when we are paying salesmen a salary and bonus.

"Then to take care of the work at the central office properly and promptly, we have appointed sales managers of major divisions of the business, including tank trailers, differential wheels, and wholesale sales. We have also appointed managers of departments so that authority is definitely delegated and responsibility fixed.

"Carrying our branch program on

to its logical conclusion, we have opened six new branches during recent months and we have plans already decided upon for opening 12 more soon.

"We have ideas as to how our salesmen should represent us, and we are paying them to follow instructions. To familiarize them thoroughly with these policies and plans, we have begun to conduct sales schools throughout the country.

"In September we held a series of one-day meetings under the direction of factory executives. And so on into next year, for which we are making definite plans."

Asked how he selects branch locations and outlines regional territories, Mr. Fruehauf said that decisions are made on a combination of experience, field work, trade statistics, and common sense.

Branches are located in trading centers, without regard to state lines or other geographical limitations. Trading centers are determined by the volume and flow of trailer business, rather than by more common considerations. Thus it is known, for example, that the trailer business, in, say, Montgomery, Ala., flows to Atlanta, while

that in Mobile flows to New Orleans. Hence, while Montgomery and Mobile may be important trading centers in other lines of business, Fruehauf finds that the Atlanta and New Orleans branches take very good care of this territory.

Several other considerations influence the size and type of a regional territory. Among these are the number of branches and volume of business in the geographical area, predominant type of industry, state highway laws, and competitive conditions. A regional manager should supervise enough branches to justify his position, but not more than he can visit frequently.

Fruehauf selling is to a considerable extent vocational, too, hence it is desirable that the manager of a given region be a specialist on haulage problems of major industries in his territory.

### Competition Important Factor

Competitive conditions also are a major consideration. There are only a few trailer manufacturers operating nationally, but there are scores of others operating sectionally or locally. The amount and kind of such competition, therefore, is one of the most important factors in determining how large a territory the regional manager there can supervise properly, for one of his principal duties is that of helping close tough sales.

It should be understood, too, that in some Fruehauf branches the managers are the only salesmen, while in others there are salesmen as well as sales managers. All have service managers and mechanics. Specifically, the 57 branches at present employ about 230 salesmen, but this number is being increased.

Fruehauf regional managers have enough territory to keep them busy. Some cover several thousand square miles. All travel much of the time by air, as do many of the factory executives. About 75 men in the Fruehauf organization have air travel cards.

According to latest available registration statistics, Fruehauf accounts for 53% of all trailers built by the five principal manufacturers, while the next highest competitive make accounts for 17%. Probably 40% or more of all truck trailers used in this country are Fruehaufs.

Not content with such an enviable position, Roy Fruehauf set a quota for this year approximately one-third higher than the company had ever reached before. Already that quota has been topped—and it looks as though a 50% increase over last year is within grasp.





## *Pressure Group?...*

Most consumer industries don't need one in Washington. They have one in every standard, well-regulated American home . . . The youngsters and/or the Mrs. put the pressure on the Old Man for the newly wanted or needed purchase. Sometimes the Mrs. is a lone but effective lobbyist. Sometimes the kids put the pressure on the Mrs. . . . The budget suffers a nervous breakdown . . . And the Man Who Pays finds himself the proud but puzzled owner of something he has been getting along without before . . . Family wants make most sales happen . . .

And if you want to help them happen in New York, slap a schedule in the New York Journal-American! . . . There's 600,000 home-going circulation to get your sales story to a lot of prospects here, enough circulation to give any good schedule a chance to do its stuff! . . . And the Journal-American is a real family newspaper, that goes to the kids, teen ages, women and males . . . It's a streamlined newspaper with a lot of speed on every page that gets a good advertisement somewhere—does a real pre-selling job, sends the prospects out to shop . . . And at \$1.00 a line daily (and only \$1.25 a line Sunday for 1,000,000 circulation) the Journal-American is in the lowest price class! . . . Sell in the Journal-American now for a better sales showing next season.

## *NEW YORK Journal-American*

*Represented nationally by* RODNEY E. BOONE ORGANIZATION . . . *with Offices in* New York •

Chicago • Detroit • Philadelphia • Pittsburgh • Boston • Baltimore • Atlanta • San Francisco • Los Angeles • Seattle  
 NOVEMBER 15, 1939



# Take 'Em...

they're as much your customers as mine!"



● When Floyd Rankin handed us his list of Ft. Dodge customers to survey he had a pretty good idea of what the results would show.

*Floyd Rankin*  
● Floyd, a dealer for Dodge and Plymouth cars at Ft. Dodge, Iowa (21,895 population, 94 miles northwest of Des Moines), is a long-time reader of The Des Moines Sunday Register. He expected the survey to show most of his customers were our customers too. *It did. Actually 390 of the 406 people listed on his books were steady readers of The Sunday Register.*

96% of Floyd's customers, like 95.5% of all Ft. Dodge families, subscribe to The Des Moines Sunday Register and get doorstep delivery.

● Floyd knew the results were on ice before the survey was started since *better than 80% of all Iowa new car purchasers are regular readers of The Sunday Register . . . 4 out of 5 URBAN Iowa families.*

● Iowa automobile dealers, like Rankin, *know* the reading habit folks in their home towns have for The Sunday Register . . . *know* they make sales, not only of automobiles, but spark plugs, tires, gas and oil, etc., when advertising is placed in The Sunday Register, where Iowans can see it.

Iowa's urban buyers alone last year purchased 39,550 new cars . . . 18,284 more than were bought in the city of Cleveland . . . considerably more than were sold in such large urban centers as Minneapolis, Pittsburgh, St. Louis.

● To wise advertisers this combination of urban coverage, dealer support, and able buyers means an easy-to-reach, easy-to-stimulate, rich market . . . won inexpensively (milline \$1.64) through . . .

*Iowa*  
**THE DES MOINES  
SUNDAY REGISTER**

Total circulation 335,303  
53% family coverage of entire state.

*4 out of 5* urban living Iowans read The Des Moines Sunday Register—constituting America's No. 7 market

Write for  
FREE  
Booklet

(Affiliated with the Cowles stations—KSO, KRNT, WMT and WNAX)







# Marketing

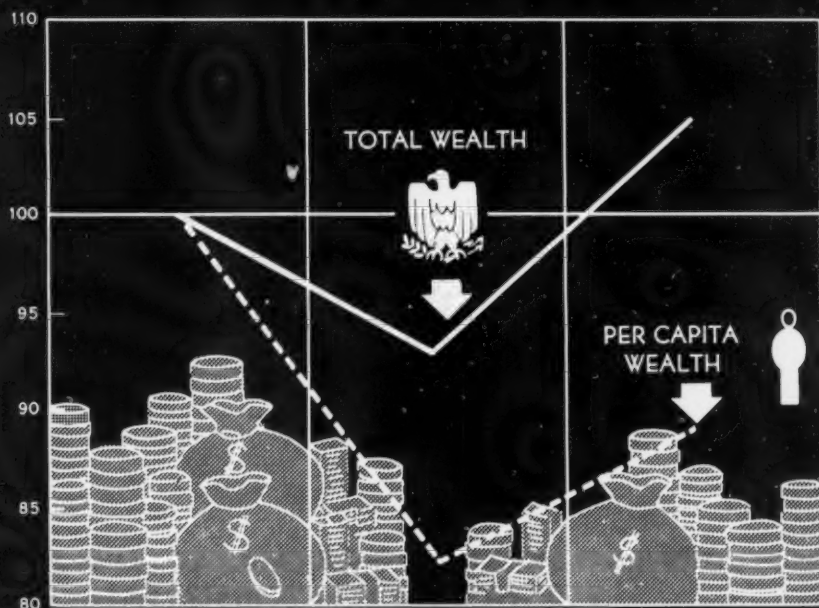
## PICTOGRAPHS

Planned by Philip Salisbury,  
Executive Editor, and designed  
by The Chartmakers.

### TOTAL WEALTH UP, PER CAPITA DOWN

Over a fifteen-year period the total wealth of the U.S.A. increased 5%, but due to the increase in population, per capita wealth was down 11%. As of 1937 total wealth was 322 billions, or \$2,490 for each one of us.

\*CITIZENS OF NEVADA HAVE  
THE GREATEST PER CAPITA  
WEALTH, WITH \$6,511, FOLLOWED  
BY MONTANA, D. OF C.,  
NEW YORK AND WYOMING.



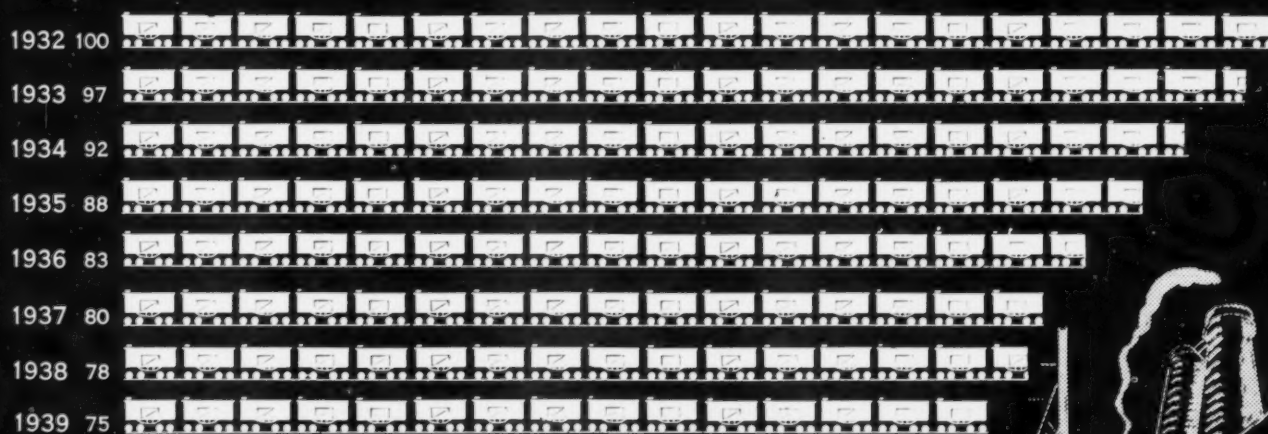
PICTOGRAPH BY  
*Sales Management*

Source: National Industrial  
Conference Board, October, 1939

	1922	1932	1937
TOTAL WEALTH (BILLIONS)	\$306.7	\$286.5	\$322.0
PER CAPITA	\$2,792	\$2,263	\$2,490

### CAPITAL EQUIPMENT NEEDS REBUILDING

Vast volume of potential heavy-industry business is available even without war orders.  
Freight cars are an example. In 1932 we had 2,170,000 serviceable cars, today only 1,630,000



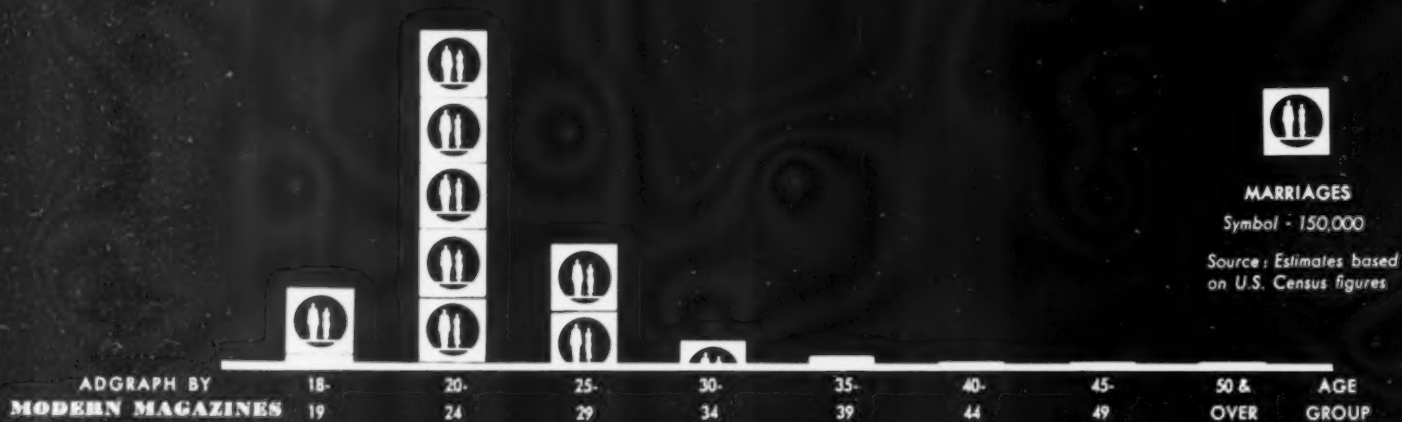
PICTOGRAPH BY  
*Sales Management*

Source: Brookmire Service, October 9, 1939



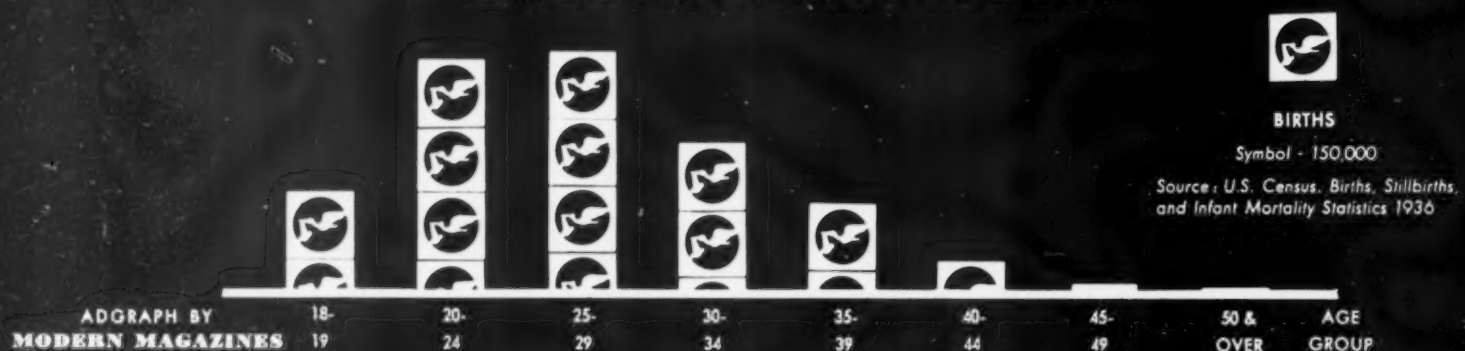
## WHEN WOMEN GET MARRIED

Age distribution of women at time of marriage



## WHEN WOMEN HAVE BABIES

70.5% of all babies are born to women under 30



## WHEN WOMEN BUY MODERN MAGAZINES

70.9% of all purchasers of Modern Magazines are under 30



To reach women at the most important period of their lives, you must reach them before they are 30 . . . during the first years of marriage . . . the first years of motherhood . . . while the family is growing . . . while buying habits are forming. MODERN MAGAZINES parallels almost perfectly this market of primary customers, and the value of this coverage is recognized by such important advertisers as: Clapp Strained Vegetables • Karo • Cream of Wheat • Davol Rubber Nipples • Mennen Baby Oil and Powder • Pyrex Nursing Bottles • Brer Rabbit Molasses • Fletcher's Castoria • Hygeia Nursing Bottles • Johnson & Johnson Baby Powder • Wee Walker Shoes



## CIGAR AND CIGARETTE USE BY INCOME LEVELS

Field surveys on volume of tobacco consumption by family income groups show that the spread between highest and lowest groups is far greater on cigars than on cigarettes.

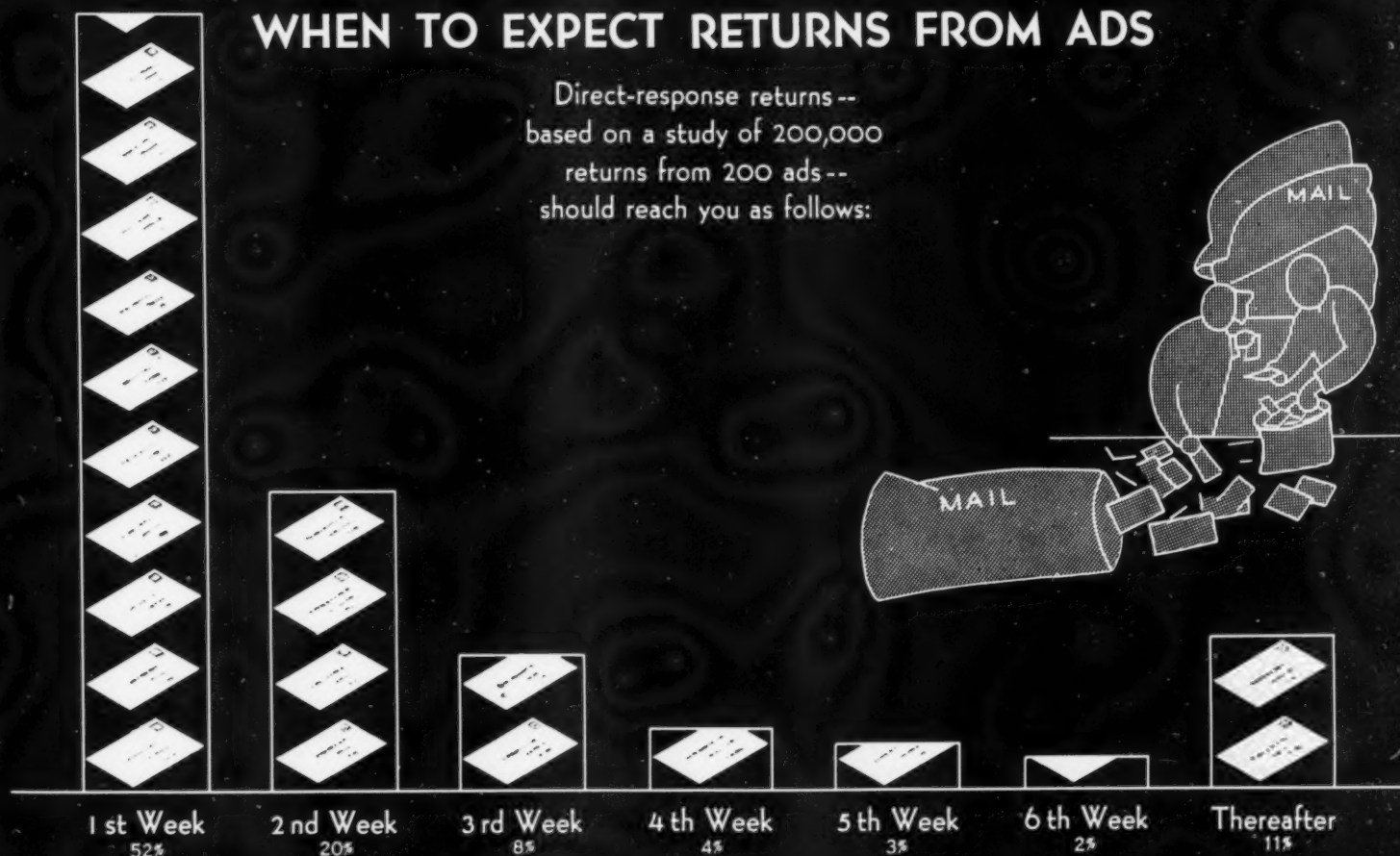


PICTOGRAPH BY  
*Sales Management*

Source: Division of Commercial Research, Curtis Publishing Company, from the Consumer Purchase Survey

## WHEN TO EXPECT RETURNS FROM ADS

Direct-response returns --  
based on a study of 200,000  
returns from 200 ads --  
should reach you as follows:



PICTOGRAPH BY  
*Sales Management*

Source: Daniel Starch Inquiry Study in  
Warwick & Legler's "Ad Quiz"





# Ever had a baby?

IF EVER YOU HAVE achieved parenthood, then you're probably familiar with an old baby-having custom—one time-honored way of obtaining the baby carriage.

That's the process of having a pram *passed on to you*. You simply borrow one from some family it already has served... you and yours use it... and then, according to custom, *you pass it along* to still another augmented family.

► That's one reason why most baby carriages live to carry considerably more than one baby. But... just *how many* more each one carries is anybody's guess.

For years business men have been aware that a similar "pass-it-along" process is always at work influencing the behavior and effect of *magazines*. These men have known this meant the existence of more than one reader to each copy of a magazine. But—until recently—just *how many* more has been anyone's guess.

► This hiatus in mind, LIFE launched the "Continuing Study of Magazine Audiences" to replace undependable conjecture with dependable knowledge—to supply for the first time *accurate* measures of how many more people are *reading* the four largest weekly magazines than are *buying* them.

More than 20,000 interviews have been completed to date. Recent field work confirms the findings previously reported. And findings covering the first half of 1939 reveal the following relationship between net paid *circulation* and true total *audience*:

Magazines	Circulation	Audience*
COLLIER'S . . . .	2,744,475	15,800,000
LIBERTY . . . . .	2,549,618	13,800,000
LIFE . . . . .	2,375,678	19,800,000
SATEVEPOST . . .	3,103,019	13,400,000

► The Study furthermore establishes *what kind* of audience is reached each week by the

four largest weeklies. It discloses, for example, that the combined audiences of these four magazines, with duplication eliminated, comprise *more than 40 million people*—that is, more than *one third* of our total population above the age of 10 years—with most of the power of these magazines concentrated in *urban centers*, right where business is most active.

In addition, the Study shows that the four largest weeklies reach *considerably more than half* of all people in the upper and middle-income brackets, as well as *more than one third* of the great mass of employed lower-income working people—economic groups which together comprise virtually the *whole* market for advertised goods.

► Thus, the *true total influence* of America's four largest weeklies at last comes to light—and is discovered to provide, every single week, probably the *most inclusive, effective, and economical means* of reaching America's many millions of active buyers!

. . . . .

These and other findings of the "Continuing Study" have provided business with the most comprehensive and up-to-the-minute measure of advertising value that has made its appearance since the establishment of dependable *net paid circulation* figures.

► Significantly enough, more and more advertisers are employing the Study effectively to make the tremendous power of advertising in national magazines a more vivid and stimulating reality to their salesmen, distributors, and dealers.

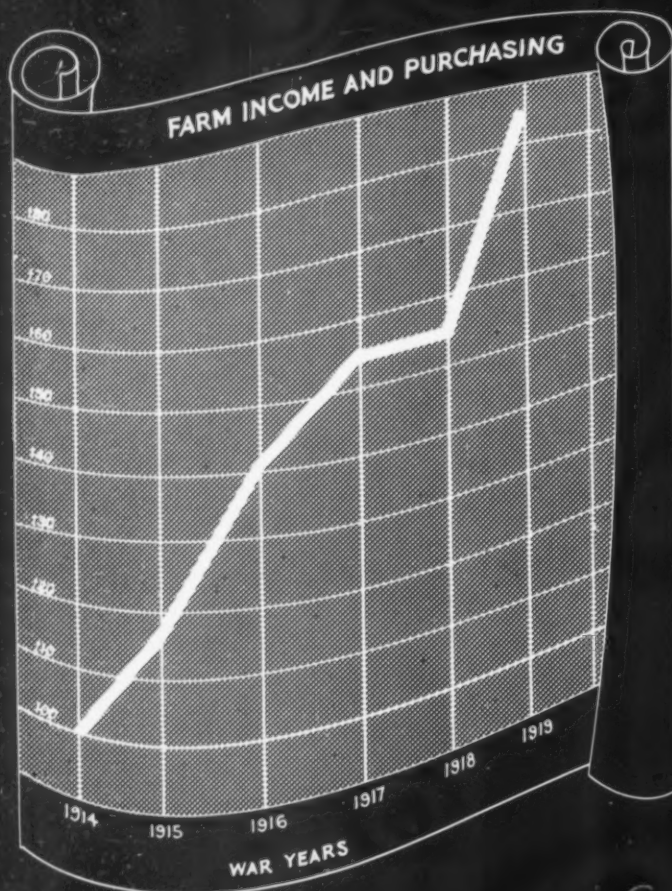
\**Latest findings of the Study covering a full year of field operations—complete with tables and breakdowns detailing the above information—will soon be available. Simply write or telephone for the report.*





## WHAT WAR YEARS MEANT TO FARMERS

Farm income and purchasing -- as measured by advertising expenditures in leading farm magazines -- increased rapidly during the World War, and is showing upward progress today.

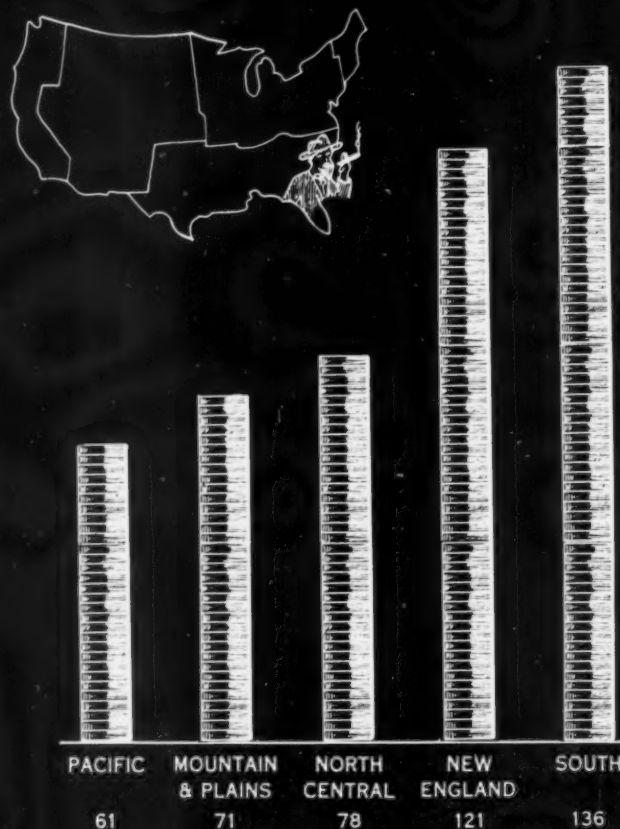


PICTOGRAPH BY  
*Sales Management*

Source: Publishers  
Information Bureau

## SOUTHERN FARMERS ARE FREE-SPENDING SMOKERS

The farmer spends about 2¼ cents out of his store dollar purchases for cigars-cigarettes-chewing-snuff. Taking the national average as 100, the expenditure ratios by sections show wide variations:



PICTOGRAPH BY  
*Sales Management*

Source: *Progressive Farmer* analysis of  
"Study of Consumer Purchases"  
and "Consumer Incomes in U.S."

## WHERE THE FARMER GETS HIS INCOME

THE 1939 FARM CASH DOLLAR STEMS FROM 10 MAIN SOURCES:



PICTOGRAPH BY  
*Sales Management*

Source: Department of Agriculture,  
October, 1939

# Now NOVEMBER Brings...

To the nation--  
**A DOUBLE THANKSGIVING**



... and whether it's the 23d or 30th, midwestern farmers are doubly thankful for this bountiful, bumper season, because it brings...

Doubled farm income—double the farm coverage—means doubled and redoubled advertising power right now for users of the Midwest Farm Papers. Remember—**IF YOU TELL TWICE AS MANY YOU CAN SELL TWICE AS MANY.**

To the Midwest--  
**A DOUBLE FARM INCOME**



... more than **TWICE** the cash farm income of 1932—nearly 3 billion dollars—now pouring into the pockets of farmers from this states of the Midwest and increased year's huge crops and increased prices. These 8 states **ALONE** have already received better than **ONE-THIRD** of the entire national farm income for the first 8 months of '39.

To the Advertiser a  
**DOUBLE SALES OPPORTUNITY**



... and, now, **TWICE** the opportunity to sell these big-income midwestern farmers when you use the western Farm Paper Unit. Because Midwest Farm Papers give you **TWICE** the actual farm coverage of any National farm paper coming into these 8 states—in fact, with all equal the farm coverage in these key states which you get with Midwest Farm Papers **ALONE.**

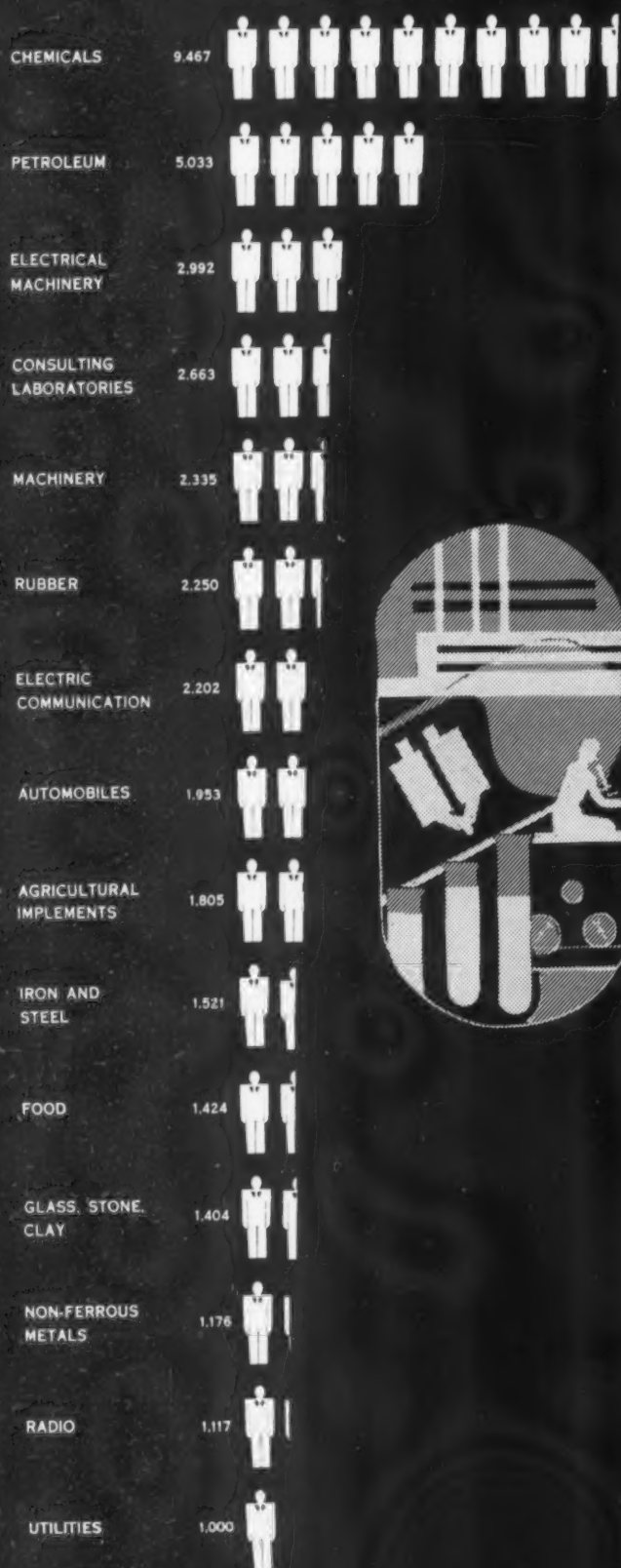
## MIDWEST FARM PAPERS

6 No. Michigan, Chicago—250 Park Ave., New York—New Center Bldg., Detroit—Russ Bldg., San Francisco



## THE FIFTEEN INDUSTRIES LEADING IN RESEARCH

Generally speaking, that industry is most successful today which does the best job of finding new products -- new uses -- responsive markets. Here are the industries which employ a thousand or more men exclusively on research.

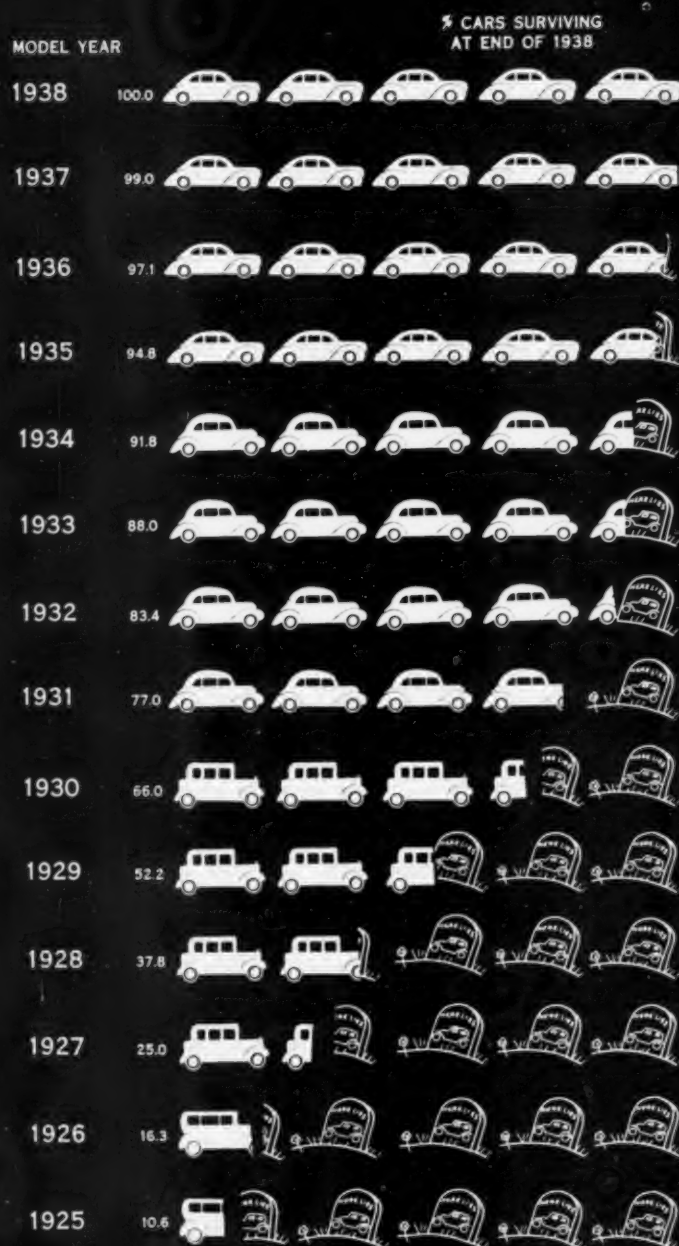


PICTOGRAPH BY  
*Sales Management*

Source: W. P. A. analysis of  
National Research Council figures.

## THE LIFE EXPECTANCY OF AUTOMOBILES

This table takes apart our 23,350,412 passenger automobiles (as of last January) and shows the number of cars surviving for each model year.



IN ADDITION, 3% OF THE 18 MILLION CARS PRODUCED BETWEEN 1917 AND 1924 ARE STILL RATTLING AROUND

PICTOGRAPH BY  
*Sales Management*

Source: Marcus Ainsworth of  
Automobile Trade Journal and  
A. F. Schwartz, Penn Mutual  
Life Insurance Company







## Some Comments on the Pictographs in This Issue

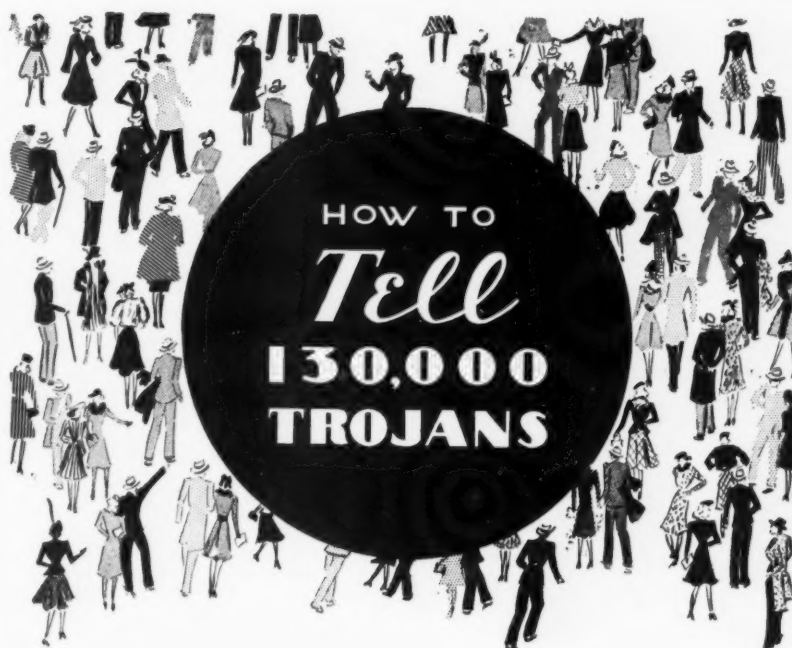
**Total Wealth Up:** The fact that per capita wealth hasn't recovered from the Great Depression is no great surprise, but here for the first time is a picture of the actual degree of drop and recovery. It ties in well with *Capital Equipment Needs Rebuilding*, for the slowing down of the durable goods industries is the major cause of the drop in our average holdings in the national kitty.

**Cigar and Cigarette Use:** This Pictograph is based on information gathered by the Bureau of Labor Statistics in the course of the 1935-36 Consumer Purchase Survey. The breakdown by income levels was a special tabulation made by the Bureau of Labor Statistics of the United States Department of Labor. It covers family use of tobacco in six large cities. Cigarettes, it seems, are far more a necessity than cigars to people who have to watch their pennies. In the lowest income group, for example, there are more than half as many cigarette-using families as in the highest income group, but less than a quarter as many cigar-using families. Another tribute to advertising when used consistently and on a broad scale! . . . The Daniel Starch study, *When to Expect Returns from Ads*, is based on returns from *magazines*. This should have been noted on the Pictograph. Sorry.

**A Page of Farm Pictographs:** The farmer's income during the first three quarters of the year remained fairly steady as compared with 1938, and currently it is heading upwards. Farm income, as shown in the bottom Pictograph, is highly diversified, and it is seldom that either production or prices of all items move uniformly. Where one of farmer's production items may be down, another may be up. There is probably greater stability in purchasing power among farmers than is true of industrial workers.

**Industries Leading in Research:** 25 years ago there were only 100 companies doing any research worthy of the name, and they employed 750 experts. Today 1,000 companies have well over 30,000 research experts and spend a quarter of a billion dollars. . . . **The Life Expectancy of Automobiles:** Today's cars keep out of the junkyards for an almost unbelievably long time. Half of the 1929 cars are still operating, and some 600,000 cars of the 1917-1924 vintage are still in use.

NOVEMBER 15, 1939



The easiest, most effective and most economical way to tell more than 130,000 Troy and vicinity folks about your products or services is to use The Record Newspapers, Troy's sole dailies.

They find these sources of news, entertainment and instruction so valuable that they pay over \$300,000 a year for the privilege of reading them!

The Troy A.B.C. City Zone (which embraces within its 3½-mile radius more than 119,324 consumers) accounts for over \$38,896,000 in retail sales annually, the Troy A.B.C. Trade Zone for an additional \$24,768,000.

The Record Newspapers reach "everybody" in this major New York State market. Twelve cents per line buys complete coverage.

34,556 Net Paid Copies Daily  
Sept., 1939, A.B.C. Publisher's Statement

THE  
RECORD  
NEWSPAPERS

THE TROY RECORD  
THE TIMES RECORD

THE TROY RECORD CO. J. A. VIGER, ADVERTISING MANAGER



# New Products and Markets

[From technical journals, bankers, company reports and] Other sources come these items that spell OPPORTUNITY

Approach of humidity condensation is detected with human hair in Julien P. Friez & Co.'s (Baltimore) new Windowstat. Fans, heaters and other dehumidifying equipment may be started through this impulse, making the product useful in store windows, display cases, etc.

\* \* \*

Steel awnings may provide major competition to the cloth awning industry. The new Rusco Venetian awning (F. C. Russell Co., Cleveland) is said to provide a high cooling effect, avoid pocket heat and eliminate glare. Free circulation and visibility also is provided, and the awning may be left up for the Winter to serve the useful purpose of preventing rain or snow from blowing through open windows.

\* \* \*

The Minnesota Mining & Manufacturing Co., St. Paul, has a new, light, 25-cent Scotch tape dispenser. The tape, made of heavy "Cellophane," is fully transparent and seals with no moistening.

\* \* \*

Experimentation with production of all-plastic planes has been progressing steadily in this country; two manufacturers already are said to be prepared to make deliveries in limited quantity. The U. S. Government has placed an experimental order for all-plastic training planes.

\* \* \*

Wartime demands for oil are estimated at three times the peace demand. During 1938 (a peace year) Europe imported 35,500,000 tons of oil. The four great powers took 76.3%. The brunt of the war demand will fall on the United States.

\* \* \*

Westinghouse Electric soon may branch sharply into aviation-parts manufacturing. A new plant for this purpose is being planned.

\* \* \*

Cleaning caraway, sesame, poppy and other seeds—long an arduous task for bakers—has been simplified in a new, speedy centrifugal process developed by Sharples Corp., New York.

\* \* \*

The United States Army has adopted a new blue uniform which is said to be considerably superior to the present khaki uniform as far as dyes and camouflage are concerned.

Use of sulphur compounds to purify water is spreading to other processes, including sand cleaning and removal of color and turbidity. Over 10,000 tons of sulphur are now being used for chemical treatment of water yearly.

\* \* \*

Experiments are being conducted with cotton as a waterproof and fireproof fabric for construction

work. It is also noteworthy that roads are now being built with cotton, it is used as an insulator, as twine for tying mail and as a fiber to make mesh bags for shipping fruits and vegetables. From cotton linters have come paper, phonograph records, plastics and fountain pens.

\* \* \*

Aluminum stages for the support of men working off ground level have been placed on the market by Aluminum Ladder Co., Tarentum, Pa. The stages are easily portable, durable and free from rust.

\* \* \*

Remarkable progress with sex hormones is being made. It is found

## A

# TLANTIS SALES OR RECORD YEAR FOR

**AT SWANK HOTELS  
AND FAMOUS INNS  
FRENCH'S IS SERVED. THE FLAVOR WINS  
WHERE GOOD FOOD IS. YOU'LL SEE  
HOT DAN**

**PAUL HOLDER**  
GUEST HONOR OF NEW YORK'S  
**RITZ-CARLTON**

**RITZ-CARLTON COLD CHICKEN**

**MARY MARGARET  
McBRIDE**  
WELL-KNOWN WRITER  
AND RADIO COLUMNIST


**A TIP FROM MISS McBRIDE!**

**R. HAVILAND  
STAPLES**  
MANAGER OF THE  
**VIKING HOTEL**

**VIKING HOTEL OVEN TOMATOES**

**J. WALTER THOMPSON** prepared this striking campaign, then placed it in just these four of the top twelve magazines. Result: a handsome sales increase for French's Mustard.

**COPY LIKE  
THIS . . .**



# R

**Remember IT  
ALL KINDS OF  
TO MAKE YOU  
MARKET..**

*True Story* —the first major monthly founded since the close of the 19th century

that giving theelin to women and testosterone to men cures some seemingly hopeless cases of insanity. Some men with excessively effeminate characteristics are reported to have developed under the treatment into the growling, cave-man type of male.

Knoral Electric Co., New York City, has a steam unit heater which operates by plugging into a light socket. It is motor driven.

The Empire Pressure King, manufactured by the Empire Compressor Mfg. Co., is designed to meet the need for a compact, low-priced but powerful air compressor. It is ex-

pected to find a broad market among factories, garages, service stations, public utilities, beverage plants and other industries.

Approximately \$500,000,000 in unfilled orders from the American, British, French and other Governments are now on the books of the domestic aircraft industry. This is a record-shattering, peace-time aggregate and calls for major plant expansion in the industry. Expansion in some cases will be financed by Foreign Governments.

Standard Steel Spring Co., Coraopolis, Pa., has a new, metallic, pore-free coating called "Corronite," which

already has shown remarkable corrosion resisting properties and may have a great influence in the anti-rust field. The cost of iron and steel corrosion in the United States is estimated around \$1,000,000,000 yearly.

The new flame detector of the Bailey Meter Co. (Cleveland) may possibly find an important use in the fire alarm field. This device consists of a light-sensitive phototube within a special air-cooled housing. The phototube "sees" the flame.

Heavy prospective demand for du Pont's new synthetic fiber, Nylon, has caused the company to increase capacity of the plant now being built at Seaford, Del., and to start plans for still another plant. Among the new du Pont products, Neoprene, a rubber substitute, is reported to be gaining in prospective importance and to be taking its place beside Nylon yarn and Lucite plastics as a big earnings potential.

A fleece-like glass that insulates against heat, cold and electricity and is said to have the strength of steel and the flexibility of rubber is now being produced by Owens-Corning Fiberglas Corp.

Flex-O-Lite Co., St. Charles, Ill., has a new unit with a special light approaching true daylight and with an indicated life of 5,000 hours. It is useful in industrial and commercial applications, such as stores, displays, factories, warehouses, offices, etc.

Typing of blood may become unnecessary for blood transfusions. Removal of red corpuscles is said to permit the blood plasma to be injected into anyone, regardless of type. It can be stored in glass jars for a year or longer and could be used on a broad scale in front-line trench injuries.

Important advances in the use of plastic materials in structural parts, as well as for added beauty appeal are evidenced in the 1940 automobiles. Fresh estimates indicate that 40 different applications are found in the new models.

The U. S. War Dept. is studying plans for armament industry expansion. Studies show that about 65% of the munitions volume—under the latest industrial mobilization plan—would be manufactured in an eastern triangle, ranging from Pittsburgh to Boston to Wilmington.

PETER B. B. ANDREWS

# CORPORATION REPORTS OR FRENCH'S PRODUCTS

FOR FRENCH'S MUSTARD

Good Housekeeping (established 1885) concentrates among WHITE COLLAR FAMILIES.

McCall's (established 1870) concentrates among WHITE COLLAR FAMILIES.

Woman's Home Companion (est. 1873) concentrates among WHITE COLLAR FAMILIES.

Companion

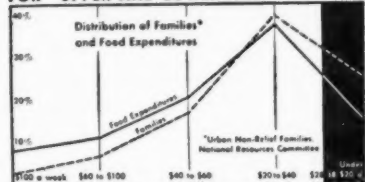
APPEARED IN JUST THESE THREE MAJOR MAGAZINES

AND TRUE STORY

Only this magazine, developed with the new working class prosperity from the last War (established 1919), of all major magazines concentrates among the circulation EARNER FAMILIES—modern America's primary market.

BER IT TAKES  
INDS OF PEOPLE  
AKE YOUR 1940  
ET...

FOR "UPPER AND LOWER HALF" ADDICTS:



In the white area of this chart lie the "upper half" families. In the black area are the "lower half" families. The "upper half" is the better half for you because it includes the biggest part of the major buying \$1,000-\$2,000 "low income" group.

... AND  
ALL KINDS OF  
MAGAZINES TO  
REACH THEM

the 19th century... since the WAGE EARNER FAMILIES became the major market for advertised goods.





# ...and gravy, too, for

**Our clients' booth is full of "Contented Customers"—and they, as well as we, have something to be thankful for this Thanksgiving. Because their program ratings on NBC Red mean a *greater* nation-wide audience.**

"Contented" indeed, are the clients of the NBC Red! Because their own sales figures demonstrate the truth of the amazing story revealed by a complete and unbiased circulation survey.

This survey did *more* than penetrate cities where large stations are situated . . . It *also* microscoped every city of 25,000 and more—

PLUS *one out of every five* rural counties in the country!

## *"The Other Half" is Good News for You*

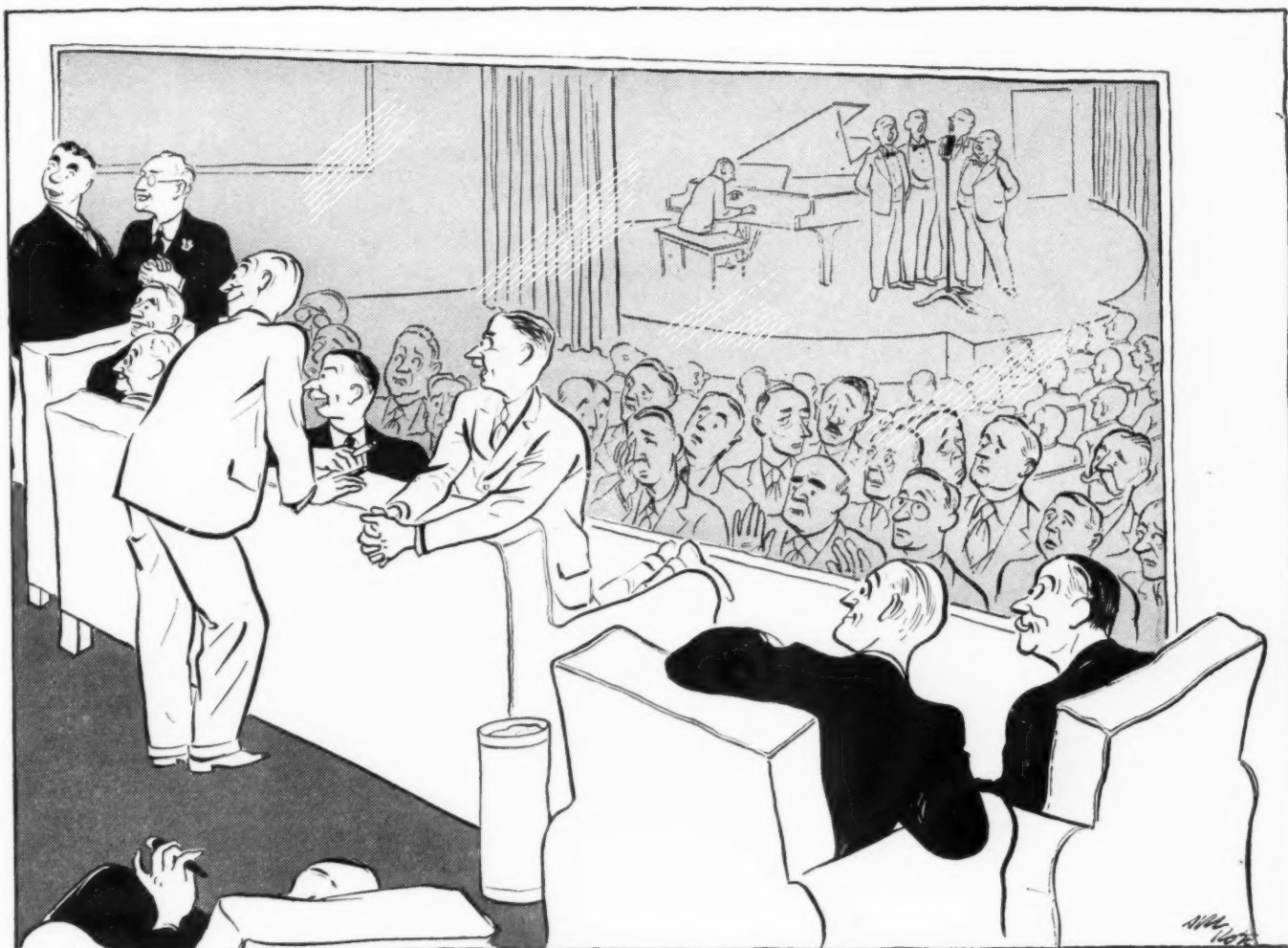
The real news of so complete a study is the discovery of *what happens* in "The Other Half" of the national radio audience—the 51% of the country's radio owners never

before surveyed—the families who have to "reach" for network programs! It is news that throws new light on the business of buying radio time. News—based on facts—that no forward-looking advertiser can afford to overlook.

Advertising men who have seen the results of this survey will tell you it's the first down-to-earth presentation of *why* and *how* radio works the way it does. It proves *why* a C. A. B. rating on the Red means a *greater* nation-wide audience for a program than the same rating on another network!

SALES MANAGEMENT





# Red Network users!

It's a fascinating story that shows how millivolts and listening habits are converted into profitable sales via the Red Network. You'll see why 79 national advertisers last year invested more than \$31,000,000 on this network—more money than was spent in any other single advertising medium in the world.

You'll understand why, with the majority of leading programs ever since network broadcasting began, the Red Network delivers a circulation bonus to all its advertisers. No wonder our clients' booth is always full of "Contented Customers"!

## MONEY TALKS TURKEY!

1. In 1938, as in every year since network advertising began, more advertisers used the Red than any other network.
2. Of the 50 leading network advertisers, more of them have used—and more of them have invested *more money* in—the Red Network than any other.
3. If you count the 50 leading advertisers in magazines, newspapers and radio combined... or the 100 leaders... or the 150 leaders—you will find that all three groups invested the major portion of their 1938 radio appropriations in the NBC Red Network.
4. And, in the first ten months of 1939, advertisers invested \$900,000 more in Red Network advertising than in any other medium.

## NBC Red NETWORK

The network *most* people listen to *most*

NATIONAL BROADCASTING COMPANY

A RADIO CORPORATION OF AMERICA SERVICE



## Our 48 Balkanized States

Editor, SALES MANAGEMENT:

Speaker Herter would very much like to obtain a copy of SALES MANAGEMENT. It contains an article on the subject "Legislative Barriers to Trade Among the States."

E. J. BARRY, *Asst. to the Speaker, House of Representatives, Boston, Mass.*

(The title mentioned is that of an address delivered before the Boston Conference on Retail Distribution by Executive Editor Philip Salisbury. An article by Mr. Salisbury under the title "You're the Fodder for the New Civil War" appeared in SM for May 15, 1939.—THE EDITORS.)

## Ah, William Tell Thompson!

Editor, SALES MANAGEMENT:

Mr. Thompson, in his column of November 1, hit the target twice, but both his shots missed the bull's-eye.

Mr. Thompson entered our Royal Portable Names Contest, and submitted the name "Royal Flush." He and 156 other poker-playing American submitted that name.

Also, in the same article, he suggested that the first prize might go to "Herman Dinglefluge of Walla Walla, Washington, for the name 'Typee-Rightee.'" This name was submitted, and by a State of Washington contestant, but it came from Tacoma—a point 280 miles from Walla Walla.

Mr. Thompson is almost good enough to shoot apples off our head.

DOUGLAS DAY, *Director of Research, Buchanan & Co., Inc., New York, N. Y.*

P.S. Neither "Royal Flush" or "Typee-Rightee" was the judges' choice.

Editor, "SCRATCH-PAD":

Sign in local restaurant . . . "We're Neutral, We Don't Care Who Kills Hitler" . . . Now that I threw in my two cents' worth, allow me to add . . . "Scratch-Pad" is a touch of coffee in the den after a sumptuous bi-monthly dinner. Cigars and liqueur thrown in.

IRVING PIERCE,  
Padgett Printing Co.,  
Dallas, Tex.

## See Page 56, Mr. Holloway

Editor, SALES MANAGEMENT:

We are today sending out a press release to a large number of papers in the United States telling them about the development of our new pouring spout for syrup cans. Attached is a copy of this release for you.

In sending it to you, however, we do not want to be content with just the ordinary release, for the development of this spout is something that we know will carry a great deal of additional interest for you and

for SALES MANAGEMENT. You will remember that last January in collaboration with the Ross Federal Research Corp. you published a survey on what women like and dislike about grocery packages, and in that report you indicated that 77% of all housewives interviewed found present syrup containers unsatisfactory. Apparently the syrup can was one of the worst offenders among all grocery packages for inconvenience.

Because of the very important work that you have done in this field, we know that SALES MANAGEMENT is going to be especially interested to learn that at least the Staley Co. has done something about it. We had been working for a great many months along this very line, because we knew just as a housewife did that the syrup can was a nuisance. Everyone in the industry knew that, of course, and possibly others have tried to do something about it, but we kept at it and some months ago were able to develop a pouring spout that we feel removed most, if not all, of the inconveniences experienced by the consumer of table syrup. This new spout is now a definite part of all Staley syrup cans and all shipments going out from our factory carry it. . . .

R. F. HOLLOWAY, *Advertising Manager, A. E. Staley Mfg. Co., Decatur, Ill.*

## Who Seconds the Motion?

Editor, SALES MANAGEMENT:

Your new department "New Products and Markets" looks like a real service to readers. . . .

C. J. RIAN,  
The McCord Co., Inc.,  
Minneapolis, Minn.

## E. B. I. Means Before Taxes

Editor, SALES MANAGEMENT:

In your April 10, 1939, statistical issue, in referring to Effective Buying Income, you say "the income is gross income before taxes are paid."

One of my statistically-minded friends argues that in arriving at the effective buying income of any community, you have deducted city, county, state and Federal taxes from the gross income and that what you call "Effective Buying Income" is that money which is theoretically available, *in toto*, to be spent to buy things with.

My interpretation is that you have adjusted for the value of food grown and used on the farm, such as milk, butter, eggs, vegetables, etc., and for the factor of urban versus rural rental costs, but not for taxes, and that TAXES (city, county, state and Federal) must come out of Effective Buying Income.

If a given community is rated as having an Effective Buying Income of \$10,000,000.00, and retail sales are listed as \$7,000,000.00, am I correct in my interpreta-

tion that the remaining surplus buying power of \$3,000,000.00 (which does not take into account the fact that some part of the retail sales may have been made to people in small surrounding communities) must provide for:

- Taxes (city, county, state and Federal)
- Insurance (life, fire, wind storm, auto, public liability, personal property, unemployment, group hospitalization, burial insurance, etc.)
- Medical and dental care
- Savings (bank, homestead, postal, stocks, bonds, etc.)
- Travel
- College education, etc.

Am I right in my contention that "Effective Buying Income" is figured before TAXES are taken out?

LAWRENCE H. STEVENS, *Vice-President, Stone-Stevens-Howcott-Halsey, Inc., New Orleans, La.*

(Subscriber Stevens is correct. The statement "income is gross income before taxes are paid" means that taxes—city, county, state, and Federal, must come out of Effective Buying Income. In addition to the major items mentioned which represent the difference between retail sales and income, must be listed the large item of rent and the smaller item of interest. — THE EDITORS.)

## We Blush Gratefully

Editor, SALES MANAGEMENT:

Your October 10 issue is a knockout. We plan to bulletinize it to members.

D. C. BRENNAN,  
Lithographers National Ass'n., Inc.,  
New York City

Editor, SALES MANAGEMENT:

I want to congratulate you on the issue "Managing Salesmen in 1940." In reading it from cover to cover, I found many ideas that will be put to work immediately, and I know that it is going to serve as an excellent source for future reference. Again, congratulations on a job well done.

BOB WHITE,  
American Maize-Products Co.,  
Chicago, Ill.

Editor, SALES MANAGEMENT:

I've just this moment finished reading the story on Baby Deer shoes. We're delighted with the way you've handled it. Here's hoping it provides the same inspiration and food for thought to others that those of us here at Trimfoot get from the many splendid articles in your grand paper.

J. B. REINHART, JR., *Director of Sales and Advertising, Trimfoot Division, The Wizard Co., St. Louis, Mo.*

## Hurry for Hints to Santa

Editor, SALES MANAGEMENT:

We are very much interested in the article "What Folks Want for Christmas" in the Oct. 1 issue of SALES MANAGEMENT, and are wondering whether you plan to have reprints of this popular feature, similar to those you prepared last year. If they are available, we would greatly appreciate receiving about 50 copies for distribution among the retail trade by our sales staff.

THOR M. SMITH, *Promotion Mgr., The Call-Bulletin, San Francisco, Cal.*

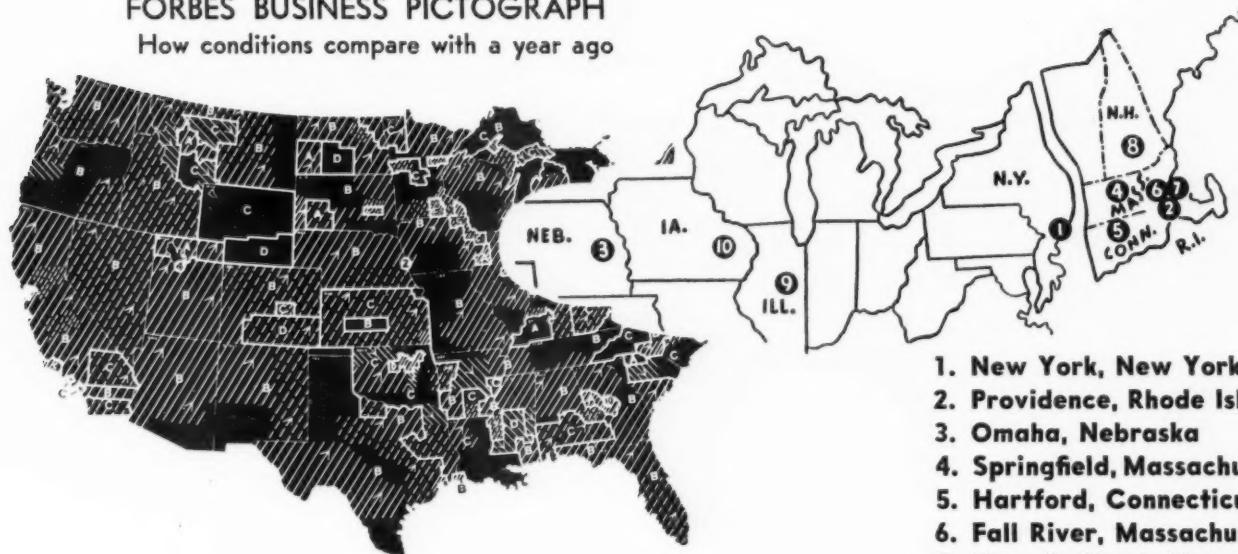
(A few are still on tap.—THE EDITORS.)

SALES MANAGEMENT

# SHOWING BIGGEST GAINS!

## Ten Cities with largest Business Increases

FORBES BUSINESS PICTOGRAPH  
How conditions compare with a year ago



1. New York, New York
2. Providence, Rhode Island
3. Omaha, Nebraska
4. Springfield, Massachusetts
5. Hartford, Connecticut
6. Fall River, Massachusetts
7. New Bedford, Massachusetts
8. Manchester, New Hampshire
9. Decatur, Illinois
10. Cedar Rapids, Iowa

**N**UMBERS encircled locate the ten largest cities which show the largest percentage of business increase compared with the previous year, according to the "Business Pictograph" in the October 15 issue of Forbes Magazine:

**A**LERT advertisers and agencies will mark these important northern and eastern markets "Must" for advertising. Forbes Magazine analysis shows them to be the "hot spots" of the country—markets where advertising dollars will yield greatest sales. This news warrants special consideration; extra advertising pressure.

## How to Reach These Choice Markets

### PROVIDENCE Journal and Bulletin

Pop.—City & Retail Trading Zone—883,399  
Circulation—145,987 (D); 110,335 (S)  
Represented by Charles H. Eddy Co.

### OMAHA World-Herald

Pop.—City & Retail Trading Zone—537,537  
Circulation—171,342 (D); 170,364 (S)  
Represented by O'Mara & Ormsbee, Inc.

### MANCHESTER Union Leader

Pop.—City & Retail Trading Zone—174,493  
Circulation—35,491 (D)  
Represented by George A. McDevitt Co.

### HARTFORD Courant

Pop.—City & Retail Trading Zone—458,331  
Circulation—41,045 (D); 72,523 (S)  
Represented by Gilman, Nicoll & Ruthman

### SPRINGFIELD (Mass.) Newspapers

Pop.—City & Retail Trading Zone—625,000  
Circulation—134,817 (D); 63,563 (S)  
Represented by F. K. Watts

### FALL RIVER Herald News

Pop.—City & Retail Trading Zone—162,500  
Circulation—31,423 (D)  
Represented by Kelly-Smith Company

### NEW BEDFORD

#### Standard-Times, Mercury

Pop.—City & Retail Trading Zone—203,566  
Circulation—51,769 (D); 26,412 (S)  
Represented by Gilman, Nicoll & Ruthman

### DECATUR Herald Review

Pop.—City & Retail Trading Zone—267,181  
Circulation—45,428 (D); 40,160 (S)  
Represented by Nease, Rothenburg & Jann, Inc.



# Marketing Flashes

## [ Staley Takes a Tip from the Ladies and Says ] [ Good-by to Goo—A Legal Compass for Retailers ]

### Pear Road Show

With 30% more pears to market at home (Europe usually takes that part of the crop) West Coast pear growers have started their biggest promotion. As heretofore, Pacific National Advertising Agency, Seattle, is working with the Oregon - Washington - California Pear Bureau.

Field workers are touring the country in cars with a trailer attached. On the trailers' blue sides are painted golden pears and the words "road show." Until Spring, shows will be given for dealers. They consist of a movie, "Pear Lands of the Pacific"; color slides on uses for pears, and merchandising methods; exhibition of a model library of retail merchandising books; and miniature models of new equipment for the display of pears and other fresh produce.

A "fruit conditioning cabinet" is included, and construction details and cost are presented in a folder. The Pear Bureau is especially interested in popularizing this cabinet, for green pears have no appeal to the taste buds. In some cities pear ripening plants have been established, and in others banana ripening rooms have been converted for pears. However, use of individual cabinets by retailers will, it is believed, broaden the pear market.

As part of each road show the field men hand out both green and ripe pears to dealers to clinch the point that proper conditioning is all-important. They also distribute samples of point-of-sale material (this year more extensive than ever before) which pairs off pears with apples, grapes and other fruits.

The current crop is about 3,500,000 boxes.

### All About Taxes

Institute of Distribution, Inc., N. Y., has issued its "1939 Retailers Manual of Taxes and Regulations." Like its predecessors of '35, '37, and '38, the Manual provides up-to-date summaries, indexed, of the main provisions of the most pertinent Federal statutes, of all state laws that tax, regulate, or otherwise affect retail operations, and of many municipal regulations.

With a wider coverage than ever before, the Manual also includes a chapter summarizing Federal and

state food, drug, and cosmetic acts.

There are more than 200 pages of loose-leaf text, with the pages of each chapter printed on different color stock, thereby enabling the reader to distinguish different types of laws speedily. Besides the text of each law, in summarized chart form, other salient data such as "when enacted"; "by whom administered"; "amendments"; "whether litigated and by whom"; "current status," are given as of September 30, 1939.

Published primarily for Institute members, some copies are available to other firms on a first-come-first-served basis, says John P. Nichols, managing director. The price is \$5, or \$10 with six-month revision supplements. The Manual is so complete that a lot of busy executives will doubtless want it.

### Spout

Syrup cans are a gooey nuisance, 77% of the housewives interviewed for SM by Ross Federal Research Corp. stated with bitter emphasis last January. (See "More Lowdown from the Ladies on Packages and Containers," January 1, 15, 1939.)

Some manufacturers shrugged off these complaints, or boasted "our cans haven't changed in 40 years. What was good enough for Grandpa . . ." A. E. Staley Mfg. Co., Decatur, Ill., however, declined the role of ostrich, Did Something.

"We have developed a pouring spout that we feel removes most, if not all, of the inconveniences experienced by the consumer of table syrup," R. F. Holloway, Staley ad mgr., is proud to announce. "All shipments going out

of our factory carry this new spout."

What made housewives cuss and snort was the difficulty of opening the old cans and measuring sticky syrup by pouring it from the wide-mouthed can into a syrup pitcher, measuring cup, or spoon. The Staley cap pries off easily, and fits back on neatly. Syrup pours smoothly in a convenient narrow stream, which can be stopped quickly and cleanly.

Further, the spout is flat against the can's top. Hence cans can be stacked and shipped without the difficulties caused by a protruding dingus.

If, as Mr. Holloway and his associates believe, the new spout "will make old-style cans obsolete," perhaps other manufacturers will take a second squint at the SM-Ross Federal surveys on housewives' pets and peeves in containers. Thar's gold in them thar mountains and molehills of consumer complaints.

### Latex Preserver

From British Malaya and Netherlands East Indies comes 80% of the world's rubber. In 1937 this country imported 100,000,000 pounds of the liquid latex. Collection of latex from millions of trees over a vast area, and shipment over thousands of miles demand an efficient preservative, for latex is temperamental and subject to rapid bacterial decomposition.

To date ammonia has been most commonly used, but it is shipped in steel cylinders which must be periodically tested, adding to the expense. Now Monsanto Chemical Co., St. Louis, has developed a preservative "Santobrite" which does the job with only a small amount of ammonia.

In this way it will be possible not only to avoid loss by spoilage caused by delay in transportation, but to maintain a reserve of the highly perishable liquid rubber in the U. S. for use in the event of interruption of supply by war or other causes.



Flat when it's closed, easy to open, smooth-flowing.

SALES MANAGEMENT



# "U-S"

## SHOWS YOU MANY ROADS TO 'REPEAT SALES'

The most effective ways of inducing consumers to buy again are via the road of color.

For instance: Here's a page from a recipe booklet\* that sells more meat by picturizing valuable mealtime suggestions.

Colorful recipe booklets are a sure road to repeat sales.

"U-S" knows that road—and many others . . . labels and cartons that say "Look at me!" . . . window displays that say "Come in and buy!" . . . posters that say "Remember!" . . .

First step on many roads to repeat sales is . . .

Call "U-S".

\*Reproduced from the actual plates used to make the booklet.

*The* **UNITED**  
**U.S.** STATES PRINTING & LITHOGRAPH COMPANY  
AND DIVISIONS — — — — —

HOME OFFICE: 328 BEECH ST., CINCINNATI, OHIO.

Production Plants at: BROOKLYN • CHICAGO • CINCINNATI • ERIE, PA. • BALTIMORE

AMERICAN LITHOGRAPHIC DIVISION  
ATLANTIC LITHOGRAPHIC & PRINTING DIVISION  
DONALDSON LITHOGRAPHING DIVISION  
ERIE LITHOGRAPHING & PRINTING DIVISION  
PALMER ADVERTISING SERVICE DIVISION  
W. F. POWERS DIVISION  
THEO. A. SCHMIDT LITHOGRAPHING DIVISION

# Save 74¢ to \$4.21

Do you know that you can save from 74c up to \$4.21 per line . . . *with practically no loss in effective circulation* . . . by using Capper's Farmer to reach The Great Mass Market wherein farm families and their brand preferences dominate your sales at retail? Ask us to prove it.



---

**CAPPER'S FARMER • TOPEKA**



# How Can We Get Our Product into the Limited Price Variety Stores?

(Continued from page 26)

to comply by offering the following statement:

Until fairly recently most products, in fact about 95% of them, were introduced into limited price variety stores by means of a listing plan. The essence of that plan was this: If the buyer at the headquarter's office of a chain system was sold on the merit of a particular item and on the responsibility of the manufacturer of that item, he would put a description of the product on a list which he sent out to store managers. If the store managers believed that any particular item was salable in their stores, then orders resulted immediately.

## How the Pre-Test Functions

Today limited price variety stores are using testing plans, directed from headquarters, as the basis of their buying operations. They are doing this because they have learned that managers of stores are not as capable judges of what is and what is not fast-moving merchandise as they once supposed they were.

The pre-test plan of buying operation works this way: When a buyer at the headquarters office of a chain finds an item which he believes is salable, he submits that item and his opinion to a merchandise committee. If this committee is impressed by the item it will order a salability test made.

The extent and nature of this test will vary according to the judgment of the committee. The test may be made in five, ten, 15, 20, or as many as 50 stores. The test may be restricted to stores in small communities, or to stores in large centers of population, or it may not take into consideration population size.

From such tests will be determined not only the volume a chain will buy of a particular item, but the position of that item on the counters of the stores in the chain.

In any instance where there is any doubt in the mind of a member of the merchandise committee as to the validity of a test, it is the policy of most chains to order a new test made. This new test is usually made in more stores than were used in the first test.

Another reviewer of this article sent a written comment which so ably and vividly capsuled the whole story we are telling here, that we offer his comments verbatim, as the proper conclusion to this report. He wrote:

"The quality appeal of limited price chains has been stepped up tremendously in recent years. Advertisers who still look upon these stores only as a good place to distribute samples of their products at five and ten cents, are asleep at the switch. The parade is passing them by.

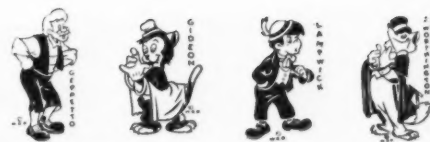
"Limited price chains are today perhaps more desirous of handling advertised products of merit than many advertisers are of getting into them. They are aware of the fact that well-known names on products which sell at their prices reflect credit on the chain. More than that, these stores, as their range of products has increased because their range of prices has been increased, have become very conscious of the need of highly dependable sources of supply. Most manufacturers who have spent real money in building up a name for their products are in that category.

## Many Founder on Price Reefs

"Your report very correctly stresses the importance of pricing. I think that a real reason why more advertisers are not in variety stores is because they don't understand that the pricing question is just the reverse, as you have pointed out, of what it is when one is selling other kinds of retail outlets. The manufacturer who can't get this point of difference and make his plans accordingly had better stay away from these chains. I would put a lot of emphasis on this because time after time I have seen what should be profitable associations between buyers and suppliers go on the rocks solely because the suppliers could not grasp this fundamental point of difference in limited price variety store operations.

"Speaking of 'reverse,' I might close by saying that far from being a headache—as many advertisers now imagine this market to be, and as I once thought it would be—it has been just the opposite. Why? Because prices are maintained; return goods claims are practically unknown; bad debts are nil; sales expense is small; premiums to girls are not allowed. We compete, in other words, on an open counter on our own merit.

"Your report on the situation is a real service and in my opinion should be an eye-opener to many advertisers who are not familiar with this great retail outlet."



## Walt Disney Characters Always Win America's Heart!

He did it with Mickey Mouse, Donald Duck and Snow White. NOW . . .

## "PINOCCHIO"

AT YOUR THEATRE EARLY IN 1940



## Boost Your Sales with LIBBEY SAFEDGE PINOCCHIO PREMIUM TUMBLERS

The gigantic publicity build-up for Walt Disney's new feature, "Pinocchio," has started in leading magazines. When Pinocchio is shown in December, all America will love its characters as they did Snow White and the Seven Dwarfs.

That's why Libbey Safedge Tumblers decorated with Disney's Pinocchio characters are sure-fire premiums that will help you break sales records. The thin-blown beauty of Safedge Tumblers and the charm of Disney characters are a combination of *known* selling power.

There are 12 characters in the series. Tumblers can be used as premiums or as product containers.

For details and prices, wire Owens-Illinois Glass Company, Tumbler Division, or Libbey Glass Company, Premium Division, Toledo. Branches in principal cities.

## LIBBEY SAFEDGE PREMIUM TUMBLERS



Thanksgiving and Christmas are peak seasons for the red berries, but such ads as this have filled in some of the valleys, and are rapidly converting the dish into an everyday staple instead of an occasional luxury.

## Cranberry Growers' Cooperative Boosts Sales, Stabilizes Market

Removing the "Holidays Only" sign from cranberries has brought cheer to Massachusetts bogs, which grow 80% of the world crop.

**I**N 1919 Cranberry Canners, Inc., South Hanson, Mass., was selling 6,700 cases of its Ocean Spray cranberry sauce. Sales showed a reasonable yearly increase until three years ago, when the speed quickened—400,000 cases in 1936, 600,000 in 1937, 800,000 in 1938, with 1939 orders already in excess of 1,000,000 cases and with anticipated sales for the year around a 1,250,000 cases.

But this spectacular rise in sales does not tell the whole story. The effect on stabilizing the cranberry industry has been outstanding, a factor conclusively proved in 1937, when cranberry growers harvested 861,000 barrels—the largest crop in history. The nearest approach to such a bumper crop came in 1933 with 695,000 barrels, when the price to growers opened at \$7 a barrel and before Thanksgiving broke and fell to \$2 a barrel.

Growers were depressed at the size of the 1937 crop, fearing a repetition of the 1933 price crash. During such price panics, growers often lost their entire harvest because many of them held their berries hoping for rising prices—only to find that they had held the berries so long they had spoiled. But in 1937 Cranberry Canners, Inc., was the answer to the growers' prayers.

The price that season opened at \$9.60 a barrel. Cranberry Canners stepped in, bought 250,000 barrels of the berries, which were frozen for use as the sauce market warranted. And the price closed that season at \$9.60, without a break at any time! There

was no waste harvest—the entire crop was harvested and sold at profitable prices. That test, which the organization met and solved, indicated its effectiveness under the most severe trial possible.

The current year marks the 25th anniversary of the formation of Cranberry Canners by Marcus Urann, president, who envisioned just such a role for a strong growers' organization as that played in 1937 by CC. Each grower, to market through the organization, must own at least one share of stock, which means a \$25 investment, and he must agree to turn in at least 10% of his cranberry harvest each year. A grower may own as many more shares as he wishes, and he may, as a great many do, market his entire crop this way.

The grower, upon delivering his berries, receives a stated minimum price, the remainder being paid when the season's total net income is divided among growers in proportion to the volume marketed. So successful has Cranberry Canners been that the organization now has 603 grower-members, who produce 80% of the world's cranberries. This number never lessens but gradually increases.

Under the presidency of Mr. Urann, the venture has for 20 years carried on a consistent and well-planned advertising program. The 1939 schedule calls for half-pages in color in *Good Housekeeping*, *Ladies' Home Journal*, *McCall's* and *Woman's Home Companion*, plus space in 170 newspapers in 126

cities. For the past three years, and again this year, the company is using half-pages in color in *This Week*, thus reaching 25 of the company's best cities. Trade paper advertising is appearing in *The Voluntary & Cooperative Groups Magazine*, *Super Market Merchandising*, *Progressive Grocer* and *New England Grocery & Market Magazine*.

Advertising copy, while majoring Ocean Spray's use with meats, is giving increasing attention to other cranberry sauce uses—salads, egg and cranberry omelet, desserts, party delicacies, pie and other goodies, which are gradually broadening the everyday use of cranberry sauce. From the time when housewives served cranberry sauce at Thanksgiving and Christmas and then forgot about it for an entire year, Cranberry Canners has so broadened the market that between January and September, 1938, the company sold more than 100,000 cases of the sauce.

Prominently featuring these new recipes is "The Cranberry Kitchen," a bulletin started in February of the current year and now mailed monthly to 15,000 home cooking school operators, home economists, food authorities, newspaper and magazine editors, and other sources interested in foods.

### Follow-through to the Trade

Through this medium also the company is now offering for the first time to students a free copy of "How to Buy Canned Cranberry Sauce," printed on 8½ by 11-inch paper, punched to fit their notebooks. Strictly an educational job, this tells students that canned cranberry sauce is darker than that prepared at home because it is made of fully ripened berries, that Ocean Spray sauce preserves 80% of the Vitamin C content of the raw berries and that this sauce hangs together well, etc.

Ocean Spray's merchandising department, working with the trade, issues bulletins suggesting the displaying of canned sauce in the meat department and similar methods of stepping up sales. Also to the trade goes a bulletin, "What every grocer should know about Ocean Spray Cranberry Sauce," giving facts about its quality, food value, and so on.

For the past ten years the organization has been developing some first rate good will among church and charitable organizations by giving away small coin banks made in the form of Ocean Spray cans. These are used to collect pennies and nickels for various good causes. Although never advertised, Ocean Spray buys them by the carload for distribution on request.

SALES MANAGEMENT





George Mitten is never mentioned in the same breath with golf champions.

He has the suggestion of a slice, and a pronounced weakness for the water-hole on the seventh. He also has a new golf bag which was the apple of his eyes and his exclusive pride, till just a few weeks ago.

It's a beautiful bag. Cordovan. Hand-boarded. Saddle-stitched. But a little radical in design (or so everybody agreed all the while the pro had it on display). Then George bought it.

You've seen the like of the sequel a hundred times. All along the course, duplicate bags sprouted like crabgrass. Not, mind you, because of George's golf standing. Not by a long Number Two shot! But what George does and says packs weight. His opinions on

business, politics — everything — are said to travel faster than the latest locker-room story. And *who* ever picked up a man's opinions without likewise borrowing his tastes?

So it goes in every club . . . office . . . community. Sell the opinion-makers and you sell the rest. Or, as advertising people put it — "Ideas always start at the top." And certain it is that advertisers and publishers alike have continuously sought for the editorial lodestone most potently attractive to such minds.

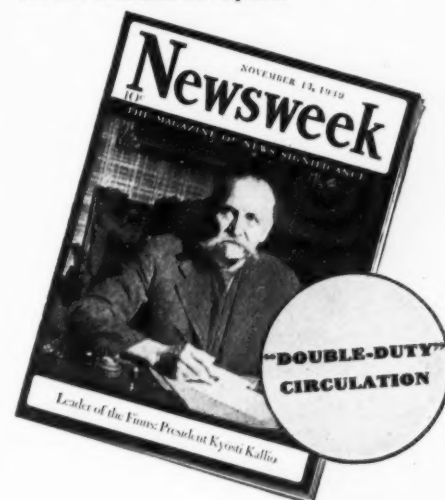
With the compilation of recently unearthed evidence, we believe that the achievement of that goal has been brought far, far closer than ever before. This evidence is found in the reports of a recent NEWSWEEK subscriber survey conducted independently by the Hooper-Holmes Bureau.

#### "DOUBLE-DUTY" CIRCULATION

This survey reveals that the average NEWSWEEK family enjoys an annual income of \$4,851. They own, on the average, better than a car per family. And more such families join the NEWSWEEK audience every day. Today, more than 375,000.

Here's proof — authenticated proof — that NEWSWEEK stands alone as the economical approach to America's most important economic group. Yet buying-power is only half the power this market exerts . . .

For nothing more than a perusal of NEWSWEEK'S unique editorial pages, giving the news plus news significance — is needed to show that these are also alert-minded people who influence all in their orbits. Detailed reports on NEWSWEEK'S survey are now available on request.





# Macwhyte's "Spook Salesman"— Who Makes Friends and Influences Buyers of Wire Rope

"Sandy Macwhyte," the hard-headed but lovably human "Scotsman" who writes letters to 28,000 customers and prospects, demonstrates what a fictitious character can do to help an industrial firm meet the problem of keeping its brand name echoing frequently and pleasantly in the consciousness of its clientele.



Kaiden-Keystone

Mr. Sawyer, Sandy's "boss."

**D**O ye ken th' tales that gang around about Sandy Macwhyte? Weel, probably no, unless ye're pairhaps a jobber or merchandiser in wire rope or a user o't yersel'. If ye're aught meexed up wi' th' wire rope, or cable or sling business it's for certain Sandy, th' "wire rope splicer," has a grip on yer hairt.

To make things a little easier all around we'll go on for a while in plain American. Sandy, some say, is the premier good will builder and the ace salesman in the wire rope business today. Sandy piles up orders for miles on miles of wire rope with many a soft chuckle and now and then a good, deep belly laugh.

Sandy, his dialect as thick as a fog and as colorful as the heather of his native hielands, has for a long time now been writing letters to the clientele of the Macwhyte Co., of Kenosha, Wis., rich in philosophy, gentle humor and personality—but always with a sales hook in them.

## Fan Mail to a "Feegment"

When Sandy writes a letter it goes out to some 28,000 customers and prospects of the company. Do they read them? You ought to see the fan letters that Sandy and the Macwhyte company get back! They come in bundles and bales and many make good, fair or dismal efforts at answering in "Scots."

Yet, really, there isn't any Sandy Macwhyte at all. He's just a "feegment," so to speak, of the mind of George S. Whyte, co-organizer and present chairman of the board of the Macwhyte company. Mr. Whyte was born in Scotland.

It has always given him a wee bit of pleasure to dabble in the dialect he knew so well in his childhood and, one day, more to amuse himself than anything else, he wrote a sales letter that

reeked with bu-r-r-s. It clicked. The chuckles he gave others came echoing back. Came, too, along with them, orders to make any Scotchman's heart glad.

Now, any business man who can get his letters read, especially in a manner that is light-hearted and gay, has something. Mr. Whyte was quick to see that he had something.

Thus, Sandy Macwhyte was born.

You can almost see Sandy as you read him—a blonde, genial little fellow with a quizzical smile on his face; soft spoken and droll of wit. Probably his legs aren't any too straight and if he had his kilties on they'd probably bare knobs and bulgy places and plenty of reddish hair.

## Wire Rope Somehow Creeps In

Sandy's hands are gnarled and his finger nails are broken and there's probably a lot of oil seamed into his skin from all those years of "wire rope splicing" he has done. It all gets you pretty close to Sandy—and the Macwhyte company.

The letters are usually written in a sort of dialogue between Sandy and "the boss." If Mr. Whyte takes a vacation cruise, why, Sandy comes home and tells Mr. Whyte all about it—Sandy had a swell time on that trip and learned a lot about the uses of wire rope, especially Macwhyte wire rope.

When the research men in the Macwhyte laboratories accomplish some important wizardry with steels Sandy tells the story to "the boss." In that way it all gets down on paper and goes out to the wire rope trade, and to the users of wire rope—and they read it because they love to chuckle with Sandy and be amused at his sage-like or sentimental sallies.

Let's show you a sample of how he goes about it. One day Sandy, or maybe it was Mr. Whyte, got to theo-

rizing somewhat over the dips and peaks of business. Sandy, as he always does, tells the story:

"I say, Sandy, have you seen this chart?" speired the Boss as he stoppit at my splicin' bench for a wee crack.

"No," says I, "I havena seen it. What's it about?"

"It's very interesting, as well as very instructive," replied the Boss. "It charts business conditions during the past 100 years."

"Aye, aye. There seems tae hae been a lot o' ups an' doons in the last century," says I. "It seems frae th' record that booms an' depressions are naething new . . . let's hae a look at it."

Sandy goes on, picturing the two of them, his boss and himself, checking over the Bank Credit Land Boom of 1836 and the panic that followed in '37 and '38; the debt repudiations of 1840 to 1845; the Mexican War boom and the depression that followed it; the gold boom that started in 1849; the Civil War boom and the ensuing years of intense poverty; the swing upward and the depression of 1885; good times, the panic of 1893; a lift and the hard years of 1896 and 1897.

## Philosopher in Work Clothes

They fan awhile, Sandy relating it in his best Scotch idiom, over the tough times the most of us remember—those troublesome days that came in 1904 and again in 1907; the World War nightmare of 1914; the smarting collapse of the early 1920's and the darkest days of all, those unforgettable '30's.

So Sandy brings out in full philosophy:

"Weel, weel, it seems that depressions are naething new. The pendulum swings baith ways. There has aye been action an' reaction. I wonder if it's possible tae keep business on an even keel a' th' while ony mair ye can stop th' ebb an' flow o' th' tide. This problem has been studied by breeliant economists an' statesmen for many lang years, an' sae far, they hae no solved th'

**HITCH YOUR BUDGET TO A BOOM!**

*in Pittsburgh*  
**DEPARTMENT STORE**  
**SALES**  
*(Week Ending Oct. 21)*  
**WERE AHEAD**  
**24%**  
 OVER SAME PERIOD 1938

**"SOMETHING HAS HAPPENED IN PITTSBURGH"**

**R**ETAIL is beginning to feel the rise of steel! Higher and higher, week after week, go sales in Pittsburgh—as wages grow and flow through every retail channel! These sales can be *your* sales—for these stores are *your* outlets! To share their profits, follow their example—in advertising!

They know that, contrary to many metropolitan markets, Pittsburgh is a TWO-paper buy—and they include the *Sun-Telegraph*, for a large share of their appropriation—depend on it for a large source of their volume. Get in on this boom—but cash in on the *whole* Pittsburgh market—by remembering that, for years, the *Sun-Telegraph* has always been

*A Partner In The Progress Of Pittsburgh's Greatest Stores*

## **Pittsburgh Sun-Telegraph**

REPRESENTED NATIONALLY BY THE RODNEY E. BOONE ORGANIZATION

PITTSBURGH • NEW YORK • CHICAGO • DETROIT • PHILADELPHIA • BOSTON • SAN FRANCISCO • LOS ANGELES • ATLANTA • BALTIMORE • SEATTLE

problem an' I doot if they ever will.

"I wonder if it's really th' government's responsibility to properly feed, clothe and shelter everybody. Mind you, I think th' unfortunate, th' lame, th' sickly an' th' blind should be cared for; but what about th' hundreds o' thousands wha' will no' work even when there is work for them to do?"

"I believe it is the function of th' government to govern, just as it is oor function tae mak guid wire rope, an' I believe it is the function of ilka community tae tak guid care o' its ain folk. What a glorious day it will be for ilka yin when th' relief question will be forgotten."

Out of a batch of "Sandy" letters we find these subjects discussed:

"Sandy and the Boss Look at the Record."

"Sandy Tells the Boss About His Vacation."

"The Boss Reminisces a Wee Bit with Sandy."

"Sandy Tells the Boss About Robert Burns."

"Sandy and the Boss Discuss the Social Security Law."

These give an idea of the ground covered and, perhaps, shed a little light on the human interest in them; why they "get" the reader and hold him. They don't read much like the average sales letter yet, somewhere in every one of them, there's something that

"sells" Macwhyte wire rope.

When Sandy took a cruise around South America he found wire rope—Macwhyte wire rope—doing heroic jobs in distant and strange places. The reader plunks right into the sales talk along with the story. Sandy never lets his mind wander far from wire rope.

Herbert E. Sawyer, vice-president in charge of sales and treasurer of the Macwhyte Co., tells us why selling wire rope is an art all its own. He says:

"There is no impulse buying in this field. You can't whip up sales with seasonal models. Changing color or style would leave the buyer dead. Basement bargains would draw a blank; special sales days be no go. Users seldom lay in wire rope supplies for the future. Nobody would ever think of having reserves of wire rope around 'just in case.' When it's bought it goes on machines—not on shelves.

"Wire rope is bought only because there's a job for it to do. The job is always an immediate one. Purchasers buy only because they want the rope *now*. It may be a new job or it may be a replacement but the need is invariably urgent. Quick delivery is imperative.

"There are hundreds of kinds of wire rope, each designed for a specific purpose. It is used in the oil fields, in mines, in stone quarries, for logging, by erection and marine contractors, for passenger and freight elevators, in industrial plants, on ships and in aviation. Wire rope is made for high speed and low speed operation, for light and heavy stress; it may be wound around a fibre core, it may be all-metal or it may be braided for slings.

"But there's one thing that concerns the manufacturer of wire rope always—it must be sold. To sell, liberal stocks must be available at hundreds of strategic points and that means large warehouse inventories. The stocks must be carefully selected because requirements are governed by locale. More, the business is highly competitive.

### No Scattering of Shots

"To sell wire rope around the world a multitude of buyers in endless specialized industries must be made familiar with the name of the manufacturer and the identity of the product. What the rest of the world thinks is of small importance; the sales gun must be aimed directly at the target."

That, perhaps, indicates why personalized letters, the kind that Sandy writes, play so important a part in Macwhyte selling. It is a matter of personalizing a business; making prospects *know* it.

Sandy clings always to these tenets:

"We must make our customers and potential customers know who we are, what we do, how we do it and why we do it. We must never forget that our sales promotion is a public relations job."

But it isn't the whole public that counts. It's a specialized public. Its advertising is aimed directly at merchandisers and users. Jessel S. Whyte, president, sends out personalized letters every now and then. Factory superintendents and all key men get copies of everything that goes out. They must be kept posted on the sales moves of the company.

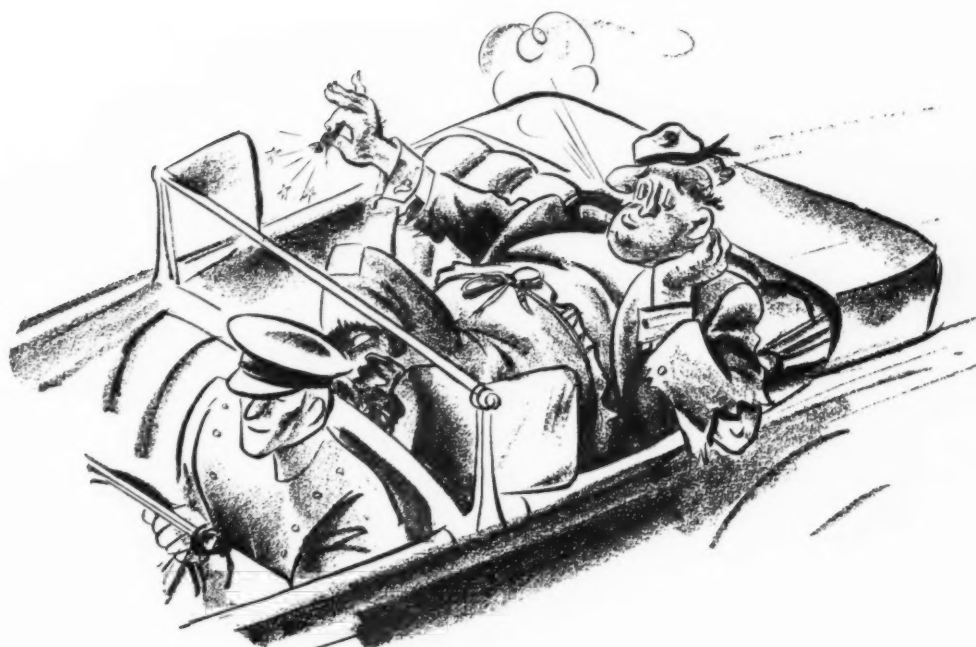
The Macwhyte company sent out 321,500 pieces of direct mail last year; used 22 trade publications with a total paid circulation of 343,218; impressions totaled 2,363,400. The advertising budget was split up, 63% for advertising space, 17% for direct mail and 11% for catalogs and special literature.

In every instance the sales gun *was* aimed at a direct target. Sandy, as becomes a good Scotsman, believes in making his shots count.



"No, damn it, no . . . 'Polly wants an AJAX cracker!'"





## HAM and EGGS

— or \$30 every Thursday

ONE OF THESE DAYS a lot of our citizens are going to wake up. They're going to discover that trick schemes, such as converting 2¢ stamps into \$130 a month, just don't pan out. The *arithmetic* is wrong.

And then the *businessmen*, who do know arithmetic, are going to say: "I told you so—you can't beat good, honest, steady and productive enterprise as a way to get along.

"Now take smart advertisers. They don't go chasing rainbows. They don't

dabble with a little newspaper space here, a quickie-radio show there and a couple of billboards in Keokuk.

"They pick out a good solid two-million or ten-million block of *buyers*—women, usually, since the women spend nearly all the money—and then they *cultivate* them, month in and month out.

\* \* \*

"THAT'S HOW THEY BUILD A BUSINESS or do a job and you wouldn't catch *any* sound businessman doing otherwise!"

—Or *would* you?

## Good Housekeeping



(A color page EVERY month in the year can be bought for about the price of ONE MONTH of big-time broadcasting. And, of course, the color page is "on" ALL month—it can be tuned in any time.)

# More Sacred Cows That Give No Milk: Second Papers on the List

BY BRASS E. TACKS

**M**Y wife, God bless her, seems to be a level-headed little female. She makes our pitance accomplish wonders. I'm truly amazed at how often she trots out steak and mushrooms. And, on occasion, she has enough left over to buy us a ticket on some Curb Exchange pony.

Yet, although her problem is exactly the same as that of most of the guys I call on, i.e., getting maximum something for minimum cash, she doesn't, I'd say, go about her job in the same way.

For one thing, I've never heard her say, "Oh, poor butcher Jones down on Chestnut Street! I haven't given him any business for six months. Let's shove some dough his way. Butcher Smith may give us better values but, heck, he can't expect to get all our meat money."

"However, I've heard Mr. Pushem orate, his voice trembling with righteous indignation, "Why, Tacks, what do you mean suggesting that your *Argus* get our Crispy Crunchies campaign! Didn't we give you the Toasted Shavings schedule? I don't care if you do give 50% more circulation for 10% more rate, the *Advance* gets Crispy Crunchies. Don't be a hog."

And Mr. Pushem's not peculiar. In fact, I'd call him typical. Dozens of top-flight executives do about the same thing. I'm not saying they shouldn't. I'm just remarking that if Louise worked the same way, we wouldn't eat steak so often.

I'm looking now at Media Records. The city's in the South, a major market. The leading paper here enjoys a walk-away. Its circulation is 85%

ahead of the second paper, while its rate is only 25% higher. It leads from almost every angle. And, alone, it gives 94% coverage of the market. If ever a "one-paper" city existed, this is it.

Of course, the right paper leads in lineage. Almost all buyers of space favor it. But it doesn't lead in the way that it should, simply because so many buyers figure, "Well, there's a second paper there, we'd better give it a break, too."

I don't mean to jump on the little guy. "Live and let live" is tattooed on my left leg. But I do say that every dollar spent in sales promotion should have a single purpose of promoting sales. None should be spent just to "give someone a break."

Let's study these Media Records. Here's the breakdown by accounts. Take this bottler. His ginger ale's in the first paper, his sparkling water in the second. Each advertising impression on sparkling water is costing him 50% more than it needs to. The milline rate of one paper is \$2, the milline of the other is \$3. The premium is exactly 50%.

If his agent asked him, "Do you want to spend 25% for preferred position?" he'd laugh. He'd reply, "Throw 25% away so foolishly? No! Give me space and circulation." But he flips away 50% without batting either eyelash.

Here's a cereal outfit. They've got plenty of money, so they've put full campaigns in both papers. Probably, no one has bothered to stop and figure out that 94% of the families are covered by one paper and that reaching the remaining 6% (who may or may

not be worth reaching) involves a money premium of 50%.

The next advertiser has two lines. One they call their "Food Line." It includes spices, teas, coffee, etc. The other is their "Insecticide Line." One line is in one paper, the other in the other.

Their vice-president has explained to me (with a tone in his voice that sounds as though he might have trained for the Episcopal ministry), "We always divide our schedules, young man. Please don't tell us how to run our business." Well, all right, I shan't. But I'll bet if he bought vanilla beans in the same way that he buys newspaper space, he'd be the laughing stock of the vanilla bean business.

Their agency explains everything with a blanket "We don't like our 'disagreeable' products, the insecticides, running beside our 'appetite' items, the food products." But, as I've told them, I'm not quite bright enough to get this logic. Other "disagreeable" items are running with us. We carry pot-cleansers, sink cleaner-outers, deodorants, rodent paste, ant stuff—dozens of such items. Housewives want to buy them, manufacturers want to sell them and we're glad to be the go-between. His "food" copy on our grocery page will meet the same motley companions that it would in any grocery store.

## Says Louise: "So What?"

His little "insecticide" copy can't possibly have much effect, if any, on his food copy. Besides, he can use different days or request separated pages. To go to the extreme of ponying out a 50% premium is pointless worship of a policy, that is questionable at best.

And, to make the situation even sillier, he's using different trade names on the two lines so that not one housewife in 20 is likely to know of the common parentage. I just asked Louise. She says, "No, I didn't know it. But what difference does it make?"

As I say, the whole system rather bewilders me. I don't operate that way. As a commuter, for instance, I have five outfits after my patronage—a railroad, a bus line, a street car, my automobile and "à pied." Should I, as a good guy, sit back at breakfast and say, "Now let's see, this is Wednesday. I used the bus yesterday, so today I'll take the street car?" And, come Friday, should I wince but declare bravely, "Hand me my hiking boots, angel, today's the day?"

Well, I don't, frankly. I take the 8:21 every morning. Some day, no doubt, there'll be a judgment!

## WHEN YOU THINK OF THE SMALL TOWN MARKET THINK OF



## [ 67 ]



# Why We Believe in Paying a Straight Salary to Salesmen

**N**OT so many years ago, John and Jane Public sat in the theatre and laughed their heads off over that well-worn but always sure-fire vaudeville hit, the "Piano Movers." In the two clumsy, ignorant men on the stage, struggling with the perversities of a huge piano, they saw typified all furniture movers, and, of course, all moving men were stupid.

"That kind of burlesquing of our industry, multiplied hundreds of times the country over, is what we were up against," says Henry M. Burgeson, general sales manager, Lyon Van & Storage Co., Los Angeles.

In this age of almost hypersensitiveness to the importance of right public relations, no one will question the adverse effect on an industry that this kind of comedy would have, nor the need for countering it. Long before public relations technique was as advanced as it is now, far-seeing men in the moving business saw that if they were to prosper they must change the picture people had acquired of the typical "moving man" and inspire them with a conception of the intelligence, dependability and integrity of the men and the organizations that existed by moving and storing other people's goods.

## Nothing to Sell but Service

The men who had the immediate task of changing this picture for the public were—the salesmen. The picture was changed, as everyone knows. The slogan, "Choose Your Warehouse as You Would Your Bank," in use for so many years and backed up by deeds, has had its effect. The sound, slow, steady job of selling accomplished by the moving industry through its associations and its salesmen the country over, has transformed the public's conception of the moving business.

But it has had the most lasting effect and has proved most profitable, Mr. Burgeson believes, in those organizations within the industry which have been paying salesmen a straight salary rather than compensating them on a commission basis, or on part salary, part commission.

"I am satisfied that the salesmen in the van and storage industry should be entirely on a straight salary basis, as we have nothing but service to sell and cannot create a nickel's worth of

In approaching the problem of finding the most practical compensation method, many sales executives have failed to distinguish between the needs of the service-type business and the mercantile-type business, says this marketing director.

Based on an interview with

## HENRY M. BURGESON

*General Sales Manager,  
Lyon Van & Storage Co.,  
Los Angeles.*

business unless our prospect is in need of our services. Our entire method of doing business is different from that of almost any other enterprise. We have no tangible merchandise to dispose of for money, nothing that can be wrapped up and tied and labeled 'so much for so much' with the sale ending the transaction.

"I would describe our business as partaking of the professional, as a service industry in contrast to the mercantile, and it is a highly specialized service. I have said, we have nothing to sell but service; but this service must be sold at a profit."

Many business heads have failed clearly to realize the distinction between the service type of business and the mercantile. Because the commission system of compensating salesmen brought results in the former, they have tried to make it work for the latter. Originally, most salesmen in the van and storage industry were on a commission basis. Mr. Burgeson believes it didn't and couldn't give best results for the firm, for a number of reasons, and that organizations trying the straight salary system soon proved its superiority for their kind of business, and profited accordingly. He believes that an experienced and intelligent sales manager can get optimum results from salaried salesmen by using the right kind of guidance and control.

Reasons why compensation by com-

mission doesn't give best results in the moving industry, he explained, are:

"Like the hospital, the doctor and the undertaker, our services are employed as a necessity and usually in time of emergency. At its best, moving is unpleasant and a good deal of trouble. Thus, we are face to face with two of the peculiarities of our business: Years of public mistrust and lack of confidence, and the unfortunate fact that our services are used chiefly in times of inconvenience and trouble for our customers.

"The salesman can't go out and make business; furthermore, the circumstances of the business place on him a great responsibility for tact. It is not easy to do a good job of selling a service if the salesman is fretted with anxieties about commissions and quotas and the next job around the corner.

"Our business is very seasonable. Our men must do a great deal of missionary work in the way of obtaining leads from real estate people, apartment house managers, etc. These leads might develop into business outside of the territories where the men digging them up are assigned. Men on a commission basis skimp or ignore this kind of missionary work because they see no way of being directly compensated for their efforts.

## Salaried Men Cut No Corners

"There is no way to supervise and direct the commission man because, naturally, the man on a commission wants to be out selling in order to get his full pay check at the end of the month.

"Commission men are inclined to cut corners, leave an unsatisfied customer, and harm the industry even though he does get his company the job.

"It should be the aim of the members of our industry first and foremost always to leave a satisfied customer. Nine-tenths of the battle is won if the sales representative will sell the job cleanly and honestly at the start. It is my experience that a cleaner job of selling is always done when the salesman is not working on a commission basis, either wholly or in part. It is only human nature for a salesman to want to cut corners and perhaps not always give all the facts when he knows that the only way he will be paid for his services is to book that order regardless of how he gets it. You or I would do the same thing if we were working under the same conditions."

As general sales manager of the Lyon Co. for the past year, Mr. Burgeson has found that the men have not

it's easier than you think to sell New York.

There's an old observation, in the vernacular of vaudeville, that the bigger they are the harder they fall. It applies quite patly to the New York market. This is the biggest market in the world . . . yet a lot easier to sell than many of you may think. Selling volume at a profit in New York City is merely a question of concentrating your advertising in the right place . . . the place, that is, where the easiest-to-sell customers are. And that place, as our Market Research Department's studies show, is in areas where above-average-income families live.

Although they form only 17% of New York City's total population, above-average-income families buy 25% of the leading brands of toothpaste sold here; 32% of the bottled and canned beer; 34% of the

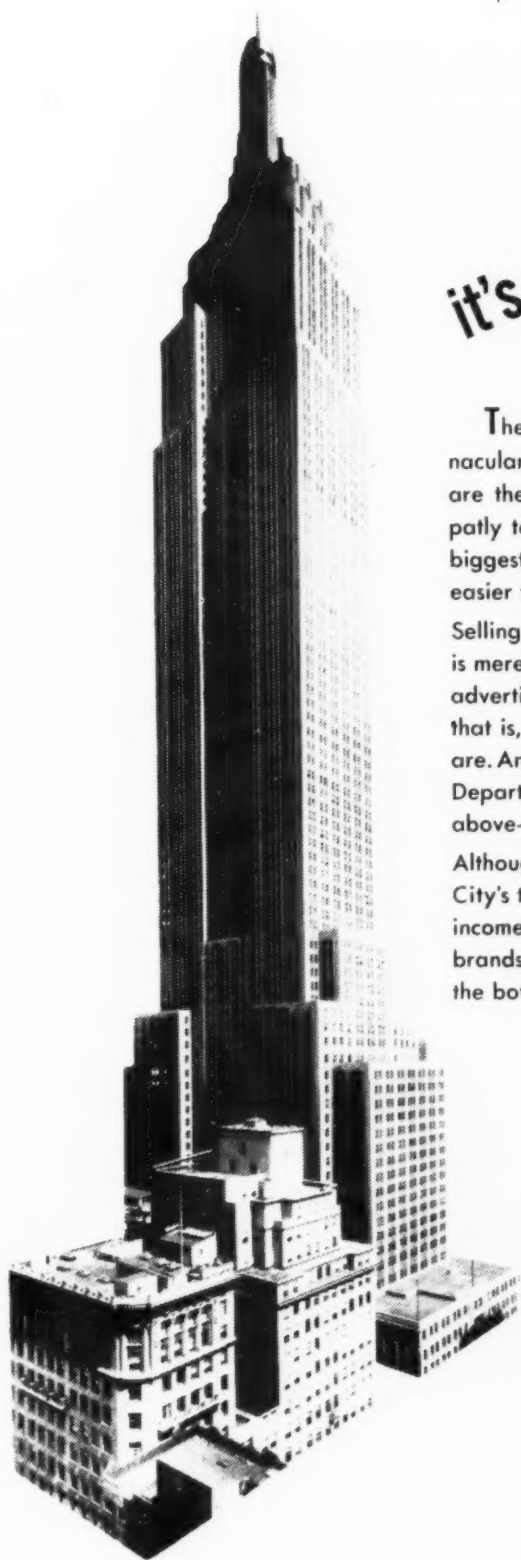
canned corned beef hash. Above-average-income families are a volume market . . . the easiest-to-sell and the most profitable volume market available for generally advertised products.

And concentrating your advertising among these families is just as easy. The New York Times does it for you with an economy of cost and effort that pads the profits of volume business here most pleasantly. Why not talk over your New York advertising problem with us?

## The New York Times

"ALL THE NEWS THAT'S FIT TO PRINT"

ADVERTISING OFFICES • BOSTON • CHICAGO  
DETROIT • LOS ANGELES • SAN FRANCISCO



been doing all they should in the way of missionary work because they felt they were not being paid for the effort. Lyon's men were on a commission basis when Mr. Burgeson took charge of them. On September 1 of this year he put into effect straight salary compensation for all salesmen.

This question may arise: How can the manager estimate the worth and success of his men when they are on salary, how prevent them slacking? Mr. Burgeson replies: "Quotas can be set with consideration of the amount of missionary work required of each salesman in the territory he serves."

Before becoming general sales manager for Lyon, Mr. Burgeson was sales manager for Bekins Van & Storage Co., which has paid its men straight salary for 20 years. It was as a result of his experience with this organization that Mr. Burgeson became so firm an advocate of the straight salary system for service industries.

"At various times, the Bekins Co. considered switching to a commission basis of compensation, but always after

careful consideration and study of the question they reverted to the same decision: In order to keep salesmen wholly within control of the management and have them feel they might always go out and do a clean selling job regardless of the outcome of their efforts, Bekins decided to maintain a straight salary basis of compensation."

In a service industry, the happiness, contentment, peace of mind and good will of the sales force are a business asset to the employing firm, Mr. Burgeson points out. "They are an asset in building up a clientele of satisfied customers for the company concerned and for the moving and storage industry in general. I am convinced that the straight salary to salesmen pays dividends in this industry."

"It is true that I expect my men to produce a satisfactory volume of business over a period of time, but I do not consider it good policy to hold any club over their heads to produce this volume. Their confidence will pay dividends in public confidence in the long run."

## Advertising Campaigns

(Continued from page 21)

compared to the foreign price of \$3.65 a pound in 1920. Neoprene, the chemical rubber made from coal, limestone and salt, costs less than natural rubber in early World War days—despite present small production.

BBDO, N. Y., handles du Pont's ads.

Sun Oil Co., through Roche, Williams & Cunningham, Chicago, announces its Nu-Blue Sunoco gasoline as supplying "a bonus of high-test knockless power, a surplus of sure-fire, quick starting, a dividend of economical mileage" for "regular gas price." Lowell Thomas' program on the NBC red and blue networks, and 350 newspapers nationally carried the details.

The National Association of Manufacturers, with 7,500 members, applauds every such reduction and improvement. A part of its newspaper page which it ran in September called "upon all its members to exercise vigilance against any price or profit policies not justified by actual cost and anticipated cost of replacement."

Headed "American Industry Is Opposed to War," the Association's ad condemned "the use of this crisis to extort unjustifiable profits." It has since been run by members and their associates in papers of from 40 to 50 cities. Over 35,000 miniature reproductions have been distributed by members; and some 7,500 page-size reproductions have been posted in factories, show windows, etc.

Association officers say that members are continuing to run the ad in local papers, at their own expense, under their names or under the Association's.

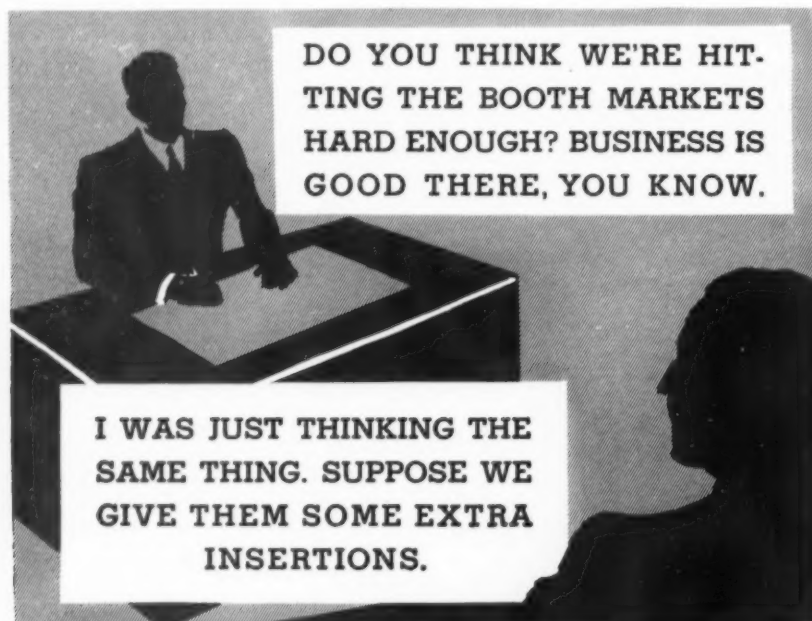
## Sayman Goes National

T. M. Sayman Products Co. (Sayman's Vegetable Wonder soap) was founded in 1877 in St. Louis, but until recently the product was distributed only through drug stores and by house-to-house selling. Now the company, through Gardner agency, St. Louis, has launched national advertising and is lining up grocery outlets.

Company salesmen first took proofs of a 1,000-line ad to potential dealers and offered to include the latter's names in the signature. In St. Louis 2,365 dealer names appeared under the introductory copy. Outlets doubled.

Frequent insertions in 71 Missouri and Illinois weeklies, in 31 Negro newspapers, and in St. L. papers supplement the schedule in *The American Weekly*, *Holland's*, *Household*, *Grit*, *Southwest Magazine*.

SALES MANAGEMENT



DO YOU THINK WE'RE HITTING THE BOOTH MARKETS HARD ENOUGH? BUSINESS IS GOOD THERE, YOU KNOW.

I WAS JUST THINKING THE SAME THING. SUPPOSE WE GIVE THEM SOME EXTRA INSERTIONS.

A recent 60-day tabulation shows 349 new national schedules in Booth Michigan Newspapers. 178 of these new schedules were on food products. The Booth Michigan Market is a great food market. The Flint Journal, for example, is eighth among all 6-day papers in the country in food linage. Business recovery is favoring Michi-

gan above all other states. Cash in . . . with extra space in the Booth Michigan Newspapers. For further data, ask I. A. Klein, 50 E. 42nd Street, New York, or John E. Lutz, 435 N. Michigan Avenue, Chicago.

Ask about Dealer Service Plan. Makes your advertising sell more.

**BOOTH**  
Grand Rapids Press  
Flint Journal  
Saginaw News

*Michigan* **NEWSPAPERS**  
Muskegon Chronicle  
Bay City Times  
Kalamazoo Gazette  
Jackson Citizen Patriot  
Ann Arbor News

TORONTO  
MONTREAL  
WINNIPEG  
LONDON, Eng.

**GIBBONS KNOWS CANADA**

J. J. GIBBONS LIMITED • ADVERTISING AGENTS

REGINA  
CALGARY  
EDMONTON  
VANCOUVER



VOICI QUELQUE  
CHOSE  
DE BON!



By tradition the people all through WTIC's New England have a reputation for being pretty practical, down-to-earth folks. The sort who can take their French lessons — or leave them.

Yet, within one week after the first announcement we received requests for 10,000 *lesson sheets* — offered in conjunction with a new series of French Pronunciation Lessons over WTIC.

Such a handsome response to an *educational feature* shows that our 50,000 Watts reaches a big audience of consistent listeners. The experience of scores of advertisers shows that it pays to reach this audience of ours — because it's *friendly* as well as big.

IN SOUTHERN NEW ENGLAND WTIC RATES

**FIRST**

- IN LISTENER POPULARITY BY 2 TO 1  
IN THE HARTFORD AREA
- IN NUMBER OF NETWORK ADVERTISERS
- IN NUMBER OF NATIONAL SPOT  
ADVERTISERS

**WTIC**

50,000 WATTS · HARTFORD, CONN.

The Station With the Friendly Audience

The Travelers Broadcasting Service Corporation

Member NBC Red Network and Yankee Network

Representatives: Weed & Company

New York Chicago Detroit San Francisco

# More Reports on 1938-39 Sales Films and Comments from Sponsors on Results

So many interesting industrial pictures turned up in our annual survey this year that Sales Management was unable to print as many reports as we wished to include in the October 10 issue. We present another group here.

(In connection with this material, readers are referred to Section III of our annual special issue, "Managing Salesmen in 1940," dated October 10. In that section will be found reviews of scores of industrial films of all kinds—motion pictures and slides covering dealer and jobber relations problems, pictures for sales training, and films of general advertising character, including those used by salesmen for direct use with consumers.—THE EDITORS.)

## Motion Pictures

**"Modes and Methods of Nairn Linoleum"**—Congoleum-Nairn, Inc. (Sound Masters, Inc.) 16 mm. and 35 mm., silent movie, Bell & Howell equipment, Raven screen.

**SALES PROBLEM:** To educate the public and layer mechanics in the use of correct tools and proper methods of installing linoleum on floors, walls and ceilings.

**DISTRIBUTION:** Exhibited throughout the United States in major cities at Congoleum-Nairn "Modes and Methods" shows, by company representatives. Film is run three or four times daily at each show. During the screening, a representative explains to the audience the various operations depicted in the film.

**RESULTS:** Reports M. Mark Sulkes, sales promotion department, Congoleum-Nairn, Inc.: "The Modes and Methods film is doing a very much-needed educational job among layer mechanics throughout the country. It shows them correct methods of installation of linoleum for floors, walls and ceilings. It teaches them to use the correct tools, thus contributing to a better installation. Obviously, this kind of educational program is designed to bring complete satisfaction to the consumer."

**"Siren"**—Wisconsin Conservation Department. (Photography, Wisconsin Conservation Department; sound tract, Burton Holmes Films, Inc.) 16 mm. and 35 mm., sound movie, Bell & Howell equipment, Da-Lite screen.

**SALES PROBLEM:** To impress on the public the necessity of being careful with fire in wooded areas, and thereby reduce the yearly loss of timber, wildlife, property and sometimes human lives.

**DISTRIBUTION:** The department library arranges for non-theatrical showings; Celebrated Players Film Corp., for theatrical distribution.

**RESULTS:** "Cards have been received from the theatres using the film as a 'short,'" reports Dorothy Ferguson, "and all comments have been very favorable." As of August 25, "Siren" had been shown in 250 theatres in Wisconsin and before 100 other groups.

**"Giants at Work"** and **"Better Light Goes Underground"**—Edison Storage Battery Division, Thomas A. Edison, Inc. (Herbert Kerkow) 16 mm. and 35 mm., sound movies, Victor Animatograph equipment, Raven screen.

**SALES PROBLEM:** The primary purpose of "Giants at Work" was to demonstrate to executives of industry how Edison battery powered industrial trucks reduce material handling costs and speed production, whereas the secondary purpose of the movie was to sell them on the use of Edison batteries to power trucks not manufactured by Edison. "Better Light Goes Underground"

was aimed at an entirely different field—the mine worker, setting out to show the mine operator and his miners how Edison cap lamps make for safer and more efficient mining.

**DISTRIBUTION:** "Giants at Work," through Edison salesmen working out of district offices. "Better Light Goes Underground," by salesmen of Mine Safety Appliance Co., sales agents for the lamp, who show the movie directly to mine operators and miners in meetings arranged by mine executives.

**RESULTS:** John F. Coakley, Edison advertising manager, says that "Giants at Work" is constantly being used by the salesmen, and that "industry interest in seeing how other plants solve their problems suggests that many industrials would do well to examine how this type of sound motion picture would serve their customers and prospects."

"Our motion picture program," reports George E. Stringfellow, vice-president and general manager, "has a sales making value of half a million dollars and cost us only 12% of that amount."

**"Scarecrows Aren't So Dumb"**—The Goodyear Tire & Rubber Co., Inc. (Wilding Picture Service) 16 mm. and 35 mm., sound movie, Bell & Howell and DeVry equipment.

**SALES PROBLEM:** To show to both consumers and dealers the advantages of rubber tires over steel wheels on farm tractors and implements.

**DISTRIBUTION:** Shown by members of the Goodyear sales organization. Lent to dealers, upon request. Also may be purchased by dealers.

**RESULTS:** "Well received by farm market. Dealers enthusiastic about the sale of tractors and tire change-overs resulting directly from film," reports E. B. Spoonamore, sales promotion division of the Goodyear advertising department.

**"Dugas—Master of Flame"**—General Equipment Corp. (Joseph Dephoure Studios) 16 mm., color, sound movie, Bell & Howell equipment.

**SALES PROBLEM:** To record a test showing the use of Dugas fire extinguisher which company salesmen could use for showing to customers and prospects.

**DISTRIBUTION:** Shown by company salesmen.

**RESULTS:** Reaction excellent.



To record a test showing of Dugas fire extinguisher . . . from "Dugas—Master of Flame."

**"A Switch in Time"**—Standard Oil Co. of California. (Roland Reed) 16 mm., sound movie.

**SALES PROBLEM:** To show to sales organization and public the manufacturing process of RPM motor oil.

**DISTRIBUTION:** Through members of organization.

**"Travelers Club News"**—Men's Club, Travelers Insurance Co. (Worcester Film Corp.) 35 mm., sound movie.

**SALES PROBLEM:** To show activities of club committees and views of club rooms.

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**MODERN TALKING PICTURE SERVICE, INC.**  
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**DISTRIBUTION:** Shown only at social gathering, annual meeting of club. Attendance, 4,000.

**RESULT:** Reports Charles H. Taylor, president of Travelers Club: "Very successful as a novel publicity venture, and organization was greatly pleased with the result."

**"Thirsty Air"**—Parks Cramer Co. (Worcester Film Corp.) 16 mm., sound movie, in color.

**SALES PROBLEM:** For closing sales of air-conditioning equipment for industrial use; shown to executives after build-up by sales engineer.

**DISTRIBUTION:** Booked through salesmen; shown only to executives of firms which are prospects for industrial air-conditioning.

**RESULTS:** The film has been in use six months and is regarded by Parks-Cramer executives as "a good investment."

**"Inside the Flame"**—Godfrey L. Cabot, Inc. (Caravel Films, Inc.) 16 mm. and 35 mm. sound movie.

**SALES PROBLEM:** To aid salesmen in the difficult problem of showing to prospects—and even to present users of carbon black—the intricate story of the Cabot method and what it does to the structure of the molecules.

**DISTRIBUTION:** Through company salesmen.

**RESULTS:** "In no other way have we been able to explain the complicated sales story we have to get over."

**"The Stream of Life" and "The Flavor's There"**—H. P. Hood & Sons. (Worcester Film Corp.) 16 mm., sound movies, Victor Animatograph equipment, Da-Lite screen.

**SALES PROBLEM:** To create good will and gain public confidence in dairy products, milk and ice cream respectively.

**DISTRIBUTION:** Shown free of charge to organizations in territory served by company. A minimum attendance of 150 is requested.

**RESULTS:** Reports E. Buckler, of H. P. Hood & Sons' advertising department: "Our company has used motion pictures for many years. We feel that movies have an important place in our advertising schedule. Our branch managers have issued statements of increased business due to these showings."

**"On to Washington"**—Pennsylvania Railroad. (Castle Films) 16 mm. and 35 mm., sound and silent movie.

**SALES PROBLEM:** For consumer showing to stimulate railroad travel at points served by the Pennsylvania Railroad.

**DISTRIBUTION:** Through Castle Films and the company's own solicitation forces.

**RESULTS:** "There has been definite favorable comment on the part of clubs, schools, and other organizations to whom the film 'On to Washington' has been shown," says C. H. Mathews, Jr., passenger traffic manager, "and it is the feeling of our responsible officers that considerable travel has been developed and created through this medium. It is estimated that the film is being shown to more than 100,000 persons each month. . ."

## Slide Films

(1) **"Good Employment Relations"** and (2) **"Business in America"**—National Association of Manufacturers. (Vocafilm Corp.) 35 mm., sound slide films.

**SALES PROBLEM:** (1) To promote good employment relations and recommend methods of attaining them. (2) To present visually a record of the activities and objectives of the National Association of Manufacturers.

**DISTRIBUTION:** (1) Offered by mail to N.A.M. members. (2) Shown at meetings arranged by N.A.M. or its members.

**"Doubling Profits with the Second Sale"**—Hammermill Paper Co. (AudiVision, Inc.) 35 mm., sound slide, Illustravox-SVE equipment.

**SALES PROBLEM:** To instruct distributors' salesmen in presenting to printers the profit opportunities of selling printed envelopes along with printed letterheads, order forms, advertising material, flat paper printing jobs, etc., and to aid salesmen in effectively presenting their sales stories to printers.

**DISTRIBUTION:** Booked by Hammermill district sales managers who arranged for showings with the distributors. Each district sales manager was supplied with his own projection machine and copy of the film.

**RESULTS:** The film was part of a promotion program on envelopes and was shown concurrently with a trade paper campaign featuring envelopes and a "sales tournament" which allowed

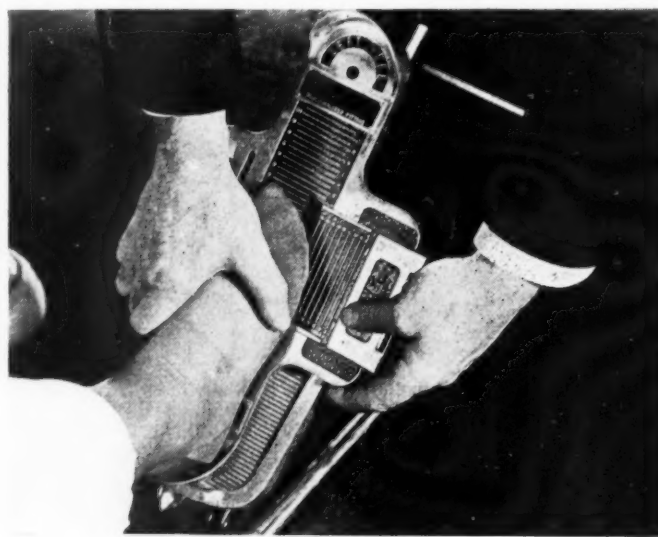
special credits for envelope sales certified as having been made in connection with flat paper orders. Reports A. E. Frampton, Hammermill ad manager: "Envelope sales turned up and have stayed up, beyond advance in corresponding flat paper sales figures."

**"The Brannock Scientific System of Shoe Fitting—The Key to Repeat Sales"**—Brannock Device Co. (Commercial Films, Inc.) 35 mm., sound slide, Illustravox-SVE equipment.

**SALES PROBLEM:** To train retail shoe salespeople on the proper method of using the Brannock foot measuring device.

**DISTRIBUTION:** Shown by shoe manufacturers' representatives in local retail stores.

**RESULTS:** "We feel that our sound slide film is extremely valuable and that it has done admirably well the job for which it was designed . . .", reports Charles F. Brannock. "Everyone who has seen it—including shoe manufacturers, retail store operators and salespeople—has been very favorably impressed and the results are highly satisfactory."



To train retail store people on proper foot measurement . . . from "The Key to Repeat Sales."

**"Demonstrations That Sell," "Get Started Right" and "Know 'Em and Close 'Em"**—Bendix Home Appliances, Inc. (Brobeck, Inc.) 35 mm., sound slides, Illustravox-SVE equipment.

**SALES PROBLEM:** The first film in this series of sales training slides was designed to teach Bendix dealers and retail salesmen the correct way to make a selling demonstration with the Bendix home laundry; the second, to train them on where to find prospects and how to approach them; the third, to show them how to close the sale.

**DISTRIBUTION:** Each Bendix distributor organization was equipped with copies of the films and projectors, and 190 wholesalesmen carried the training program into the field.

**RESULTS:** On September 7 Bendix reported that it had held 1,107 dealer meetings at which the films were shown, and trained over 10,000 dealers and salesmen. Testimonials, such as the following, had come in from many of the Bendix distributors who had handled dealer meetings based on the films:

"This gang insisted on my running the film through the second time. The following morning one salesman who had missed the meeting came over and insisted on seeing the film. He brought two salesmen who had seen the film twice the evening before and they saw it a third time . . ."—E. D. Samuel, Harper-Meggee Co., Portland, Ore.

"Enthusiastic reaction to film. Want it shown again to help them (salesmen) learn the correct method of demonstrating Bendix."—G. H. Rittenhouse, Roskin Bros., Boston.

**"Where There's Good Will There's a Way" and "Highlights on Look-Ups"**—Household Finance Corp. (Brobeck, Inc.) 35 mm., sound slides, Illustravox-SVE equipment.

**SALES PROBLEM:** Designed for initial and follow-up training of company salespeople.

**DISTRIBUTION:** Shown to company employee groups.

**RESULTS:** E. F. Wonderlic, director of personnel, says that the films have been very valuable as training tools and that the company feels that slide films are a very convenient method of getting across sample demonstrations as well as fundamental principles of selling.

"Servicing the 17th Series Packards," "The Packard Econo-Drive," "A New Line on Packard Wheel Alignment," "Bugs," "Service News of the 1940 Packard Features," "Packard Business Belongs to Packard Dealers," and "Fair Enough"—Packard Motor Car Co. (Brobuck, Inc.) 35 mm., sound slides, Illustravox-SVE equipment, Da-Lite screen.

**SALES PROBLEM:** To train dealers' employees in the servicing of the new model Packards.

**DISTRIBUTION:** Sold to subscribing dealers.

**RESULTS:** The films have been very helpful in improving service and securing adoption of uniform methods, Packard reports.

"You Get the Good Things First in Air Conditioning"—Airtemp Division Chrysler Corp. (Ross Roy Service) sound slide film, Illustravox-SVE equipment, Da-Lite screen.

**SALES PROBLEM:** To interest prospects in Airtemp and show them its good points.

**DISTRIBUTION:** Shown to prospects.

**RESULTS:** Claimed to be very helpful.

"Be Modern—Buy Chrysler" (Two films on Chrysler Royal and Chrysler Imperial models)—Chrysler Corp. (Ross Roy Service) sound slide films, Illustravox-SVE equipment, Da-Lite screen.

**SALES PROBLEM:** To win approval of prospects.

**DISTRIBUTION:** Shown to prospects in salesrooms and homes.

**RESULTS:** Used for several years and considered effective.

"Dodge-Chevrolet Comparison" (trucks) and "A Comparison of Dodge and Ford Trucks"—Dodge Division, Chrysler Corp. (Ross Roy Service) sound slide films, Illustravox-SVE equipment, Da-Lite and Illustravox screens.

**SALES PROBLEM:** To show claimed advantages of Dodge trucks over Chevrolets and Fords.

**DISTRIBUTION:** Through factory representatives and dealers.

**RESULTS:** Considered helpful.

"Forty Used Vehicle Sales—and How They Were Made" and "A Top-Flight Business"—Dodge Division, Chrysler Corp. (Ross Roy Service) sound slide films, Illustravox-SVE equipment, screen included in projector.

**SALES PROBLEM:** To help dealers merchandise and advertise used cars.

**DISTRIBUTION:** Sold to dealers.

**RESULTS:** Claimed to be helpful.

"Tropical Treats"—Fruit Dispatch Co. (AudiVision, Inc.) 35 mm., sound slide, Illustravox-SVE equipment.

**SALES PROBLEM:** To promote the use of bananas by graphically depicting the nutritive value of the fruit and by suggesting new uses.

**DISTRIBUTION:** Showings scheduled by Fruit Dispatch Co.'s home economics representatives before women's clubs.

**RESULTS:** "Well received."

"Getting Ahead with Kinney"—G. R. Kinney Co., Inc. (AudiVision, Inc.) 35 mm., sound slide, various equipment.

**SALES PROBLEM:** To train retail shoe salesmen in Kinney stores.

**DISTRIBUTION:** Shown by Kinney division managers at meetings of retail salesmen.

**RESULTS:** "Did the job . . . need more like it," says C. O. Anderson, vice-president and sales manager.

# Sales Management's SURVEY OF LEADING SALES FILMS

*Proves  
the Widespread  
Popularity of*



Reg. U. S. Pat. Off.

# SCREENS

Of the 30 Film Users Listing Makes  
of Screens **24 LIST DA-LITE**



The report, presented by Sales Management in its October 10th issue on the "leading sales films of 1938-39" provides significant evidence of the widespread popularity of Da-Lite Screens. Of the companies which reported on the brands of screens used, eighty per cent listed Da-Lite screens and more than sixty-nine per cent listed *only* Da-Lite.

There are many reasons why users of business films specify Da-Lite Screens. Da-Lite's surfaces — White, Silver and Glass Beaded — assure brighter, clearer pictures under all conditions of service. They are the result of thirty years of leadership in screen manufacture. Da-Lite's many styles of mountings permit choosing the right equipment for every need and offer superior advantages in convenience and dependability. Ask your producer-dealer about Da-Lite Screens!

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HART SCHAFFNER & MARX  
THE TEXAS CO.  
STUDEBAKER CORP.  
THE PURE OIL CO.  
PHARIS TIRE & RUBBER CO.  
E. I. DuPONT de NEMOURS & CO.  
BELL & HOWELL CO.  
CALIFORNIA FRUIT GROWERS  
EXCHANGE  
THE FAMILY CIRCLE, INC.  
SAFETY GLASS ASSOCIATION  
NATIONAL BOND &  
INVESTMENT CO.  
COOPERS, INC.  
PONTIAC DIVISION, GENERAL  
MOTORS CORPORATION  
DE VILBISS CO.  
DIXIE-VORTEX CO.  
INVESTORS SYNDICATE  
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**"It's Another Vitale Year"**—Ice Cooling Appliance Corp. (Burton Holmes Films, Inc.) 35 mm., sound slide with color.

**SALES PROBLEM:** To introduce to the dealer organization the 1939-40 line of Vitale ice refrigerators and to give dealer salesmen pointers on selling the new models.

**DISTRIBUTION:** Shown by dealers to their employees.

**RESULTS:** Dealers state that "It's Another Vitale Year" is the best film they have used to bring out the construction of the product and sales ideas for promoting it.

**"Win, Place, and Show"**—Armstrong Cork Co. (Amateur production) 16 mm., sound movie with color, Bell & Howell equipment, Raven screen.

**SALES PROBLEM:** To present the company's advertising campaign to wholesalers and salesmen.

**DISTRIBUTION:** Shown first at convention of wholesalers and was later used at sales meetings.

**RESULTS:** Reports John P. Young, advertising manager: "All indications are that it was our most successful presentation of an advertising plan."

**"Making Friends"**—N. Y. Telephone Co. (Vocafilm Corp.) sound slide film, Illustravox-SVE equipment.

**SALES PROBLEM:** To train non-selling employees in "selling" the company and its services to their friends and acquaintances.

**DISTRIBUTION:** Shown to groups of employees at times when they can be spared from their departments.

**RESULTS:** Practically all of the company's 43,000 employees have seen it. "Reaction of employees has been favorable, and they frequently applaud at termination. There is no doubt that the film stimulates them to cooperate more sympathetically with the company's effort to promote the better use and more extensive use of the telephone." So reports P. F. Carl, Jr., assistant vice-president.

**"Plymouth's the Car"**—Plymouth Division, Chrysler Corp. (Ross Roy Service) sound slide film, Illustravox-SVE equipment, Da-Lite and MPE Compact screens.

**SALES PROBLEM:** To acquaint the public and dealers' sales staffs with good points of Plymouth.

**DISTRIBUTION:** Furnished to dealers.

**RESULTS:** Now considered a necessity.

**"Comparison of Dodge and Buick Special," "Value Facts Prove a Point"** (Dodge-Oldsmobile comparison), **"Take a Look"** (Dodge-Pontiac comparison)—Dodge Division, Chrysler Corp. (Ross Roy Service) sound slide films, Illustravox-SVE equipment, screen included in projector.

**SALES PROBLEM:** To show selling points of Dodge in comparison with other makes in the same price class.

**DISTRIBUTION:** Through factory representatives and dealers.

**RESULTS:** Now considered a necessity.

**"Industrial Iron Fireman Features of Superiority," "Why an Iron Fireman Gives You More for Your Money," "Get the Facts," "See the People," and "What an Iron Fireman Will Do for You"**—Iron Fireman Manufacturing Co. (United Motion Pictures) 35 mm., silent slides, SVE equipment, Da-Lite screen.

**SALES PROBLEM:** The first four films in this series were produced to do specific sales training jobs for the Iron Fireman sales organization, the last one mentioned for showing to prospects. Sales training films were designed to instruct salesmen on making surveys to ascertain prospects' needs, on discovering sources from which prospects may be obtained, and on the comparative advantages of Iron Fireman over competitive makes. "What an Iron Fireman Will Do for You" was produced to aid salesmen in presenting their stories effectively to prospects.

**DISTRIBUTION:** Films are sold direct to dealers who use them in training their own salesmen and showing to prospects.

**RESULTS:** "The reaction of dealers has been excellent," reports Odin Thomas, sales personnel manager. "More of these films are in the hands of our dealers now than any of the previous films we have produced. We have distributed about 800 copies."

**"A Light Conditioning Deal"**—Lamp department, General Electric Co. (Commercial Films) 35 mm., sound slide, Illustravox-SVE equipment.

**SALES PROBLEM:** To interest the salesmen of a selected group of GE dealers in the selling of the GE light conditioning service. This film is shown at planned meetings of salesmen and points out to the men how to put across verbally to prospects the advantages of light conditioning a home. These advantages are also outlined in trade booklets which are distributed to prospects.

**DISTRIBUTION:** GE divisional offices arrange meetings and handle showing of the film.

**RESULTS:** Too early to say.

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2. HOW TO REACH THAT MARKET

Department Stores Buy Merchandise for one of two purposes—

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# ADVERTISING AGENCIES

## C. & D. Fee System

Stuart D. Cowan and Horace W. Dengler of Cowan & Dengler, Inc., New York, might well be called pioneers in the advertising agency business—conservative pioneers in the development of a fee system of agency service.

Without condemning the commission basis of agency compensation—the agency handles both fee and commission accounts—Cowan & Dengler is quietly promoting its thorough-going fee system, pointing out that in handling accounts for a set fee per annum the agency has but one objective: "To accomplish a specified result with a minimum marketing expenditure." That commission accounts may accomplish the same purpose, Cowan & Dengler readily admits.

But the agency cites flaws in the commission system which, though not necessarily inherent in all commission agencies, build Cowan & Dengler a strong case for its fee system of agency compensation. For instance, Cowan & Dengler feels that the commission system may tend to over-emphasize commissionable advertising and under-emphasize non-commissionable services. Or, to state it in the positive rather than the negative, as Mr. Cowan invariably does when you talk to him about it, the fee system encourages balanced planning, which simply means, he says, that all forms of advertising, merchandising and promotion are considered on their merits in each individual situation.

## Agency as Coordinator

It was essentially to overcome this potential lack of balance that Cowan & Dengler set out, in 1924 when the agency was first formed, to handle accounts on a fee basis. It adopted a fee system which, the agency states, "eliminates emphasis on commissionable billing and points all efforts toward expanding the advertiser's sales and profit—by any means, advertising or otherwise—which offers maximum results."

Last week SALES MANAGEMENT asked Mr. Cowan, vigorous president of the agency, to explain how the fee system has worked for Cowan & Dengler clients.

"We believe that one important job of the advertising agency is that of a coordinator capable of balancing all phases of a client's marketing activity," Mr. Cowan told SM. "It should concern itself not only with the placing of paid advertising, but with the pricing, packaging and styling of a client's products, with the creating of new products, with research on behalf of the client, and even with matters of basic marketing policy which are sometimes more important than the advertising plan or method. The fee system encourages this activity."

"How can we, working on a fee, perform those services for a client better than an

agency working on commission? We don't say that we can. In fact, a number of reputable agencies feel just as we do about the services they should make available to their clients. We believe, however, that a fee service agency is more likely to spend time and effort on non-commissionable activities and that it is more likely to plan and place advertising when and where it will be most effective for the client.

"We have materially helped clients," he continued, "by suggesting that they change the price of a product—to take only one example of our work on non-commissionable services. In such instances, because we work on a fee basis and because our fee is not dependent on paid advertising space, we have no hesitancy in recommending that an advertiser curtail advertising effort until the price problem was settled."

## Client Case Histories

Then he turned to an impressive presentation book outlining 40 possible advantages of the Cowan & Dengler fee system and pointed out the following among the 150 case histories:

"One of our clients purchased a preparation used by women which had been successful in a limited way. The object was to expand sales volume to \$1,000,000. The agency, working on a fee basis, advised against any substantial advertising outlay until basic questions affecting price and value were conclusively answered. At the established retail price, the cost to the consumer was 37 cents an ounce. Although the product had repeated in exclusive stores, the agency was convinced that, in order to build a large volume of repeat business, the unit cost to the consumer should be about 10 cents an ounce. . . . Subsequent developments in the business proved the value of the agency's recommendations."

The next case history cited an instance when the agency had recommended that a client raise the price of his product. One unusual case explained how the agency had advised against extensive advertising for two years pending the acceptance of one national trade name in place of eight local names.

"Another manufacturer," the book read, "had a 100-year-old trade name with a value estimated at \$1,000,000. On short notice, the directors and management decided to use this name on another product, marketed through the same channels, but of an entirely different type. The board and management were ready to spend \$100,000 in advertising the new product. The agency, working on a fee basis, recommended against weakening the old, established trade name by using it on the other product. . . . While \$100,000 worth of billing was 'lost,' the dissipation of a million dollar asset was assuredly prevented."

"A fee agency," Mr. Cowan continued, "is in an excellent position to advise a

client against overspending or underspending on an advertising appropriation. If the advertiser is overspending, we tell him so, and if the advertiser is underspending, as many are, we can recommend that he increase his appropriation—without arousing suspicion."

Here are two instances from the book to illustrate the point:

"The importer of a quality product had appropriated \$25,000 for an intensive campaign in one city. The fee agency proved that the market was so 'thin' that the advertising could not possibly pay and caused the whole plan to be cancelled. An alternate plan of a more economical type was recommended."

"The client, selling house-to-house had appropriated a substantial sum for national advertising. After unbiased analysis, the agency eliminated that expenditure entirely and suggested sales promotion plans to stimulate territorial organizers and 25,000 house-to-house agents."

By way of summing up the story of a fee agency, Mr. Cowan stated: "On a fee basis the agency is not penalized for sincerity. It loses nothing by recommending that money be spent for non-commissionable activities and obtains no immediate increase in profit by recommending that more of the appropriation be spent for commissionable advertising. It follows that the recommendations of the agency merit the full confidence of the client. . . ."

"Let me repeat—we do not say that a fee service agency can do what a commission service agency cannot do," Mr. Cowan said. "We have avoided criticizing agencies which handle accounts on 15% commission; we handle such accounts ourselves. We much prefer simply to present the case of the fee system on its obvious merits. And we believe that eventually the fee system will take hold, just as other new ideas have, and will prove of great advantage to some advertisers."

## Reserve Fund Set Up

"How do we arrive at a fee for handling accounts? Through common sense, experience and agreement with the client. Sometimes the commission on an account is less than the actual cost of servicing it; sometimes it is more. It is entirely possible that commissions would amount to only \$25,000 while the fee might come to \$35,000. In cases where commissions are more than the fee, the surplus is put into a reserve fund and used for special agency services beyond the normal limit of agency work, such as sales analysis, merchandising research, marketing strategy and long-range plans, testing of all types, and unusual promotion efforts."

"We never rebate or cut rates," Mr. Cowan concluded with added emphasis. "We bill space and time at card rates, and when the commission exceeds the fee, the surplus goes into the reserve fund, as explained above."

Mr. Cowan's first experience in doing business on a fee basis came several years before he ever entered the agency business—when he was in college, to be exact. It was in his sophomore year when Cowan heard the bad news that, due to his father's illness and a bank failure, he would have to leave school. Not seriously considering ending his college education as abruptly as that, he cast his eye around for some means of supporting himself other than the routine college jobs. He even undertook a small job of market research on the campus to find out what tutoring service or plan was needed and would be successful if offered.



Many students, he discovered, needed tutoring in engineering physics, a subject he had never studied. However, he enrolled in the course and set out to tutor his colleagues once every three weeks as he learned the subject. He asked each student for a set payment in advance, promising a full refund to any boy who failed to pass his final examination. "I asked them to pay a fee in advance," he explained, "and gave them two good reasons: First, it simplified my set-up; secondly, I knew that if the boys had money on the line they'd work harder to pass and I'd work harder to see that they did pass." He was right; no student who did his part ever flunked a final exam.

So, when Stuart Cowan left J. Walter Thompson in 1924 and joined up with Horace Dengler, who for 12 years had been personal assistant to the late Ivy Lee—public relations counsel handling accounts strictly on a fee basis—it was not unnatural that the result would be the establishment of a fee service agency.

Large corporations had called on Mr. Lee to advise them on the broad fundamentals of advertising policy. As this demand had increased, Mr. Lee turned most of this work over to Mr. Dengler, who handled it for several years prior to the organization of Cowan & Dengler. This activity on the part of the Lee organization was possible largely because the accounts were on an annual fee; clients accepted reports with confidence because they were recognized as completely unbiased.

In summing up his point of view, Mr. Cowan said: "Mr. Dengler and I have no exaggerated ideas as to the acceptance of this point of view in the near future; we simply prefer to work that way whenever possible, because it often results in sounder and happier relationships."

## Agency Notes

Ralph H. Butler, formerly with Schwab & Beatty, New York, and at one time manager of the New York office of Grace & Holliday, has established his own advertising agency in that city. Among the clients of the new agency are Kalart Co., Inc., marketers of photographic equipment, and Vitona Products Co., manufacturers of pharmaceuticals.

In the settlement of the estate of the late W. R. Needham, former president and treasurer of Needham & Grohmann, Inc., New York, control of the advertising agency has reverted to the corporation with H. Victor Grohmann elected to succeed in the offices held by Mr. Needham. Other officers elected were: H. Nelson Kent and P. A. Phillips, vice-presidents; Donald H. Parker, vice-president and secretary; and K. A. Intemann, assistant secretary.

Louis M. Cottin has resigned as merchandising and research director of Green Brodie, Inc., New York, to open his own office as advertising and sales promotion consultants. Present accounts include Elbe File & Binder Co., Union Stationery Co., Typewriter Circle Co., Cho Ban Corp., and Cooperative Opticians.

## People

Benton & Bowles, New York, has appointed J. L. Bogert as director of research for the agency, and Adolph J. Togio as manager of the research department. Mr. Bogert became associated with Benton & Bowles two years ago, at which time he was made a vice-president of the agency. Mr. Togio, former member of the

agency's research staff, was director of research for John H. Dunham agency, Chicago, before joining Benton & Bowles two years ago.

The New York office of N. W. Ayer & Son has added Edwin R. Dibrell to its executive staff. Formerly executive vice-president of R. H. Macy & Co., New York department store, Mr. Dibrell was also at one time merchandising manager of Lord & Taylor, New York department store.



(Left)  
E. R. Dibrell



(Right)  
J. L. Bogert

Russell G. Phillips, formerly account executive with United States Advertising Corp., Toledo, has joined Stockton-West-Burkhart, Cincinnati, as an account executive.

The radio department of Warwick & Legler, New York, has added to its staff Tevis Huhn, until recently a production director of the Columbia Broadcasting System. Mr. Huhn has been in charge of

production of such radio shows as the Major Bowles program, The Goldbergs and The Hour of Charm.

William J. Williamson, for several years sales manager of Station WKRC, Cincinnati, has joined the sales staff of Ralph H. Jones Co., Cincinnati and New York. Formerly sales manager of the Flexwood Co., Chicago, Mr. Williamson later joined Scott-Howe-Bowen and then the Columbia Broadcasting System.

Milton J. Blair has been elected a vice-president of Sherman K. Ellis, New York. For the past two years head of a contact group with the agency, Mr. Blair before joining Sherman K. Ellis was associated with J. Walter Thompson Co.

The New York office of McCann-Erickson has placed John L. Anderson in supervision of the radio department of the agency.

## Account Appointments

To: Albert Frank-Guenther Law, New York, Aeolian Co., piano manufacturers. . . . Young & Rubicam, N. Y., Statler Hotels, including hotels located in Boston, Buffalo, Cleveland, Detroit, St. Louis and New York. . . . James Thomas Chirug, Boston, Nashua Gunned and Coated Paper Co., converters of paper products.

To: Charles W. Hoyt, New York, Java Pacific Line. . . . Sherman K. Ellis, Calox tooth powder, and J. D. Tarcher, Inc., Albolene cleansing cream, Yodora deodorant and Soretone rubbing liniment, products of McKesson & Robbins, Inc. (Bowman & Columbia, which has handled McKesson advertising since 1938, will continue to handle the company's liquor accounts.)

**RADIO DAILY**  
The National Daily Newspaper of Commercial Radio and Television

VOL. 9, NO. 21 NEW YORK, N. Y., MONDAY, OCTOBER 20, 1933 FIVE CENTS

**Hand it's muck**  
Radio Research Lags,  
Miller Terms ANA

**the BEST buy**  
NBC Selects Group

**in**  
Tele Com. May Be Delayed to Nov. 15

**Philadelphi**  
KXW Issues New Card; Goes Into Effect Nov. 1

**KYW At All-Time High**  
**With 55% Billing Increase**

Philadelphia—KYW has announced a new all-time high in gross billings for October, and has revealed that it is well on the way towards establishing a record final quarter. To date, an increase of 48 per cent has been recorded, and with two more months to go, station estimates an increase of 55 per cent this year as compared to the corresponding period last year.

(Continued on Page 2)

**Customers Write**  
The World—Many reports have been received from stations regarding the success of the new program. The program is being received with great interest and is being followed by a large number of listeners. The program is being followed by a large number of listeners. The program is being followed by a large number of listeners.



# Business Can Meet the Challenges Of the Consumer Movement

(Continued from page 22)

slogans would be worse than useless. It would only provide fuel for the flame.

This phase of the subject must be approached by a sincere, honest and intelligent inquiry as to what business has done, or has failed to do, that tends to further that phase of the consumer movement which charges business with disregard of consumer's interest, or with the more serious offense of deliberate purpose to impose upon consumers. That phase of the consumer movement which wrongly accuses business must be corrected by removing from business those things that have contributed to support such accusation. It must be corrected also by giving to consumers the information which will protect them from their own unfounded suspicions as well as from the state of ignorance about the functioning of business which renders them susceptible to the false charges of those who promote consumer prejudice for their own personal profit.

The consumer movement is flourishing today largely on the basis of the charge that the trend of business now and in the recent past, is towards less regard for the interest of the consumer, when the very basic and fundamental condition of business compels from business ever more and more consideration for the consumer's interest.

When all the activity of business was engaged in production and distribution of those articles which went to the satisfaction of the most elementary human wants, business could be careless of the consumer attitude. Consumers could not then live without the purchase of the articles which business produced. The problem then—and that was not so long ago—was the production of those things needed to pro-

vide the people with food, fuel, clothing and shelter.

How vastly different is the situation today, when a large sector of business is engaged in the production and distribution of radios and moving pictures, of electric lights and electric appliances, of washing machines and vacuum cleaners, of automobiles and thousands of other articles without which people can live, but without the purchase of which by consumers that part of business which produces such articles can't live at all . . . when without such purchase by consumers no part of business can prosper.

Have we given to the public understanding of that obviously true, strikingly significant and fundamental fact? We have not! We have hardly recognized it for ourselves. If we recognized it, acted upon it, and let all the public know that we know business can prosper only by producing more things that promote the comfort, convenience and happiness of more people, and by enabling more people to buy those articles through more efficient distribution, can anyone believe that the people would be led, by their own suspicions, by charlatans for private gain, or by politicians for political preferment, to join a movement of any kind for the destruction or impairment of business? I don't believe it!

Isn't the foregoing a fair analysis of underlying and fundamental necessities without which we cannot have business prosperity? Isn't it the one and indispensable ingredient of business prosperity that business provide the people with means of purchasing the products of business? Can we doubt it after having witnessed for seven years the futile attempt to bring about prosperity for business or for the

masses of the people through provisions by the government of purchasing power for the people? I need not inquire whether any of us think that consumers have any conception of that philosophy of the functions and necessities of business. We know they do not have it. That they do not have it is due to our default, and out of that default much of our troubles have come.

Since such a large part of the consumer movement turns about the criticism of advertising, I shall pay a little attention to that specific subject. I have already noted that advertising is one of our newest business devices, and that, being subject to faults and weaknesses of any new thing, is naturally the most vulnerable of our institutions. Too, being that activity of business which contacts the public most closely and actively, such faults as it possesses are most obvious to the public.

## Advertising Needs New Aims

I believe in the institution of advertising. In my judgment it has been one of the greatest single forces for progress that has existed in the whole course of our industrial development. Through the force of advertising, the industrial activities which began with the industrial revolution 165 years ago have been so speeded up in the last 40 years as to bring about in that period more progress in providing the masses of the people with physical articles promoting their comfort, convenience and happiness, than had been made in all the previous centuries of human history.

Admitting all that, we must still recognize the fact that, while we have sold the public many useful things through the force of advertising, we have not sold the public on the institution of advertising. We have done much mouthing of the slogan "Truth in Advertising"; we have not done a very good job of putting "truth" in advertising. Is it strange that the public distrusts the institution which only a little while ago ran riot with obviously insincere copy consisting of bought testimonials?

Is it strange that the public has prejudice against advertising when, reading of hundreds of millions of dollars spent for advertising, the people find in it nothing but an appeal to buy our products, with no exposition or explanation of the real purpose of advertising or of the accomplishment of advertising in promoting the welfare of the public? In that respect we have been shockingly negligent of the consumer. I believe there has been no

FOR NEEDED COVERAGE IN  
**THE SMALL TOWN MARKET**

USE



time in the last 30 years when a majority of consumers, if asked whether advertising were a good and wholesome institution, would not have answered in the negative. Yet, we've done nothing about that, but marvel that advertising has sold our products to a public which did not believe in advertising.

Is it strange, under such circumstances, that the consumer movement centers its attack on advertising and has found a very considerable part of the public sympathetic to that attack?

Obviously, something needs to be done about the consumer movement, not to destroy it, but to remove from the public mind the misunderstanding which is responsible for the consumer's hostility to business and advertising. Can that be done? To doubt it is either to doubt the rightness of business and advertising or to attribute to the people a degree of intelligence so low as to make all things hopeless.

Why should people not be brought to understand the functioning, the necessity, and the sound philosophy of business? Most people are directly engaged in business. All people depend for their physical welfare upon business. They need only to know the purposes and processes of sound, honest business, to understand, to appreciate and to approve.

I shall not undertake to write a prescription for the solution of such problems as the consumer movement presents to business. I do venture some suggestions.

### Proof Exists. Present It!

We could, of course, solve the problem thoroughly and quickly if we had the power in business to make all business activity sound and intelligent and honest. We have no such power. To attempt through any group or association to convince the public that all business is sound and intelligent and honest, when it is *not*, would be but to expose ourselves to the charge of being propagandists, which we would be. We can, however, look more carefully than we have looked before—each in his own business—for such correction as needs to be made to put business beyond the reach of the charge of not serving honestly and efficiently, the interests of the consumer. We can help consumers to understand both our business and our advertising.

Is my product sold to consumers today at lower price than it could be sold for if it had never been advertised? Why not give consumers that hard substance of fact in my advertising? Am I telling the public nothing but the truth in my advertising? Why not tell

the consumers that fact and offer proof of it? My company has been doing both these things.

May not sound business management solve for itself the consumer movement problem by that method? And, if the major part of business management is honest and intelligent, as I believe it is, may not such out-on-the-table method of business and advertising solve the consumer movement for all businesses by helping to develop the movement into an alert, honest interest in sound business instead of the hostile movement which we now fear? If the consumer movement became that kind of interest in business, it could speedily purge business of dishonest advertising. It could speedily purge industry of dishonest, unintelligent business.

That consummation, so devoutly to be wished, we shall not speedily bring about, for our part of the work will not be quickly done. Is it not, however, worth undertaking promptly? Let's abandon the attitude of fear to tell the consumer facts about our business. Let's give him, or her, understanding of why we'd be foolish to impose upon consumers. Why should not every honest, intelligent business management devote itself to the task

of letting the public know and understand that we know, and conduct our business in full light of the knowledge, that business cannot prosper through imposition on the consumer, but can only prosper by giving constantly more and better service to the consumer?

Why not abandon the slogan on which much money has been spent and with which, in my judgment, little has been accomplished—the slogan—"when business prospers you prosper?" Why not go to the public, not with slogans, but with the "honest to God" facts on which that slogan is based?

Such activity on the part of honest, intelligent business leaders, would, in my judgment, do two things helpful to the solution of the consumer movement problem:

*First:* It would remove from the minds of consumers the misapprehension of business which alone in the movement need be of a concern to business, and,

*Second:* It might convert to a sound philosophy of present day business some business men who haven't had, or haven't taken, time to think about it. That result should be beneficial to business far beyond the limits of the consumer movement problem.

## Here's Your Ticket to Miami

*and increased Sales!*

Buy your ticket now, through the pages of the Miami Herald and be on hand to get your story over to more than a million visitors from every part of the country. It's your ticket to the biggest selling job you've ever done in any one place.

NATIONAL REPRESENTATIVES  
STORY, BROOKS & FINLEY, INC.  
GARNER & GRANT

## The Miami Herald

• ASSOCIATED PRESS • UNITED PRESS • INTERNATIONAL NEWS SERVICE • WIREPHOTOS  
FLORIDA'S MOST COMPLETE NEWSPAPER





## Packaging 3,500,000

An important factor in the newspapers' story as an advertising medium is *flexibility*: Newspaper advertising helps advertisers to meet their problems and opportunities of time and place and circumstance.

Although some newspapers have grown large and wide in circulation, they do not intend, it appears, to sacrifice flexibility.

Take, for example, the New York *Sunday News*.

On November 1—"to fit the need" of the general advertiser—this newspaper began to offer its 3,500,000 circulation in five "packages."

An advertiser may buy all of it, with thousands of copies in almost every state . . . 98,000 in Ohio, 94,000 in Massachusetts, 26,000 in California, 22,000 in Texas, 39,000 in Virginia, 12,000 in Hawaii, and so on. . . . He may buy "beyond city and suburbs," 1,500,000; "city and suburban," 2,000,000; the Manhattan section, or the Brooklyn section.

When an advertiser buys the full run of the *Sunday News* he gets the largest net paid circulation of any newspaper in the world. He gets, in fact, more circulation than that of any magazine in America, except magazines distributed by groups of newspapers.

But the packages also embrace a lot of loyal readers. New York is the nation's largest city, and the approximately 3,500,000 people who live in the "commuter belt" within 50 miles of 42nd Street have been described as "America's Second City." In this area are seven cities of more than 100,000, 19 between 50,000 and 100,000, and, all-told, some 90 of more than 10,000. In addition to a "family coverage" of about 77% in the five boroughs of New York City, the *Sunday News* claims an average family coverage of 56.6% in eight suburban New York counties, 14 counties in New Jersey, and one, Fairfield, in Connecticut.

The Manhattan section, 1,050,000 circulation, covers not only Manhattan, the Bronx and Staten Island in the city, but the New York suburban counties to the north and the Connecticut and New Jersey suburban counties. The Brooklyn section, 825,000, covers Kings, Queens, Nassau and Suffolk counties.

There are, to be sure, a lot of "Sweeneys" among these millions. But the *Sunday News* (like the 1,900,000-circulation New York *Daily News*) also has been able to "tell it" as well to a lot of Vanastorffellers, not only in New York City, but in the suburbs and throughout the country. If you take, for instance, the district just east of Central Park, from 60th to 97th streets—the one district in the city where the median annual family expenditure exceeds \$9,000—you will find a *Sunday News* family coverage of 77.5%. And this, by the way, is about 50% better than the *Sunday News* coverage in, say, the Lower East Side, where the

median annual family expenditure is less than \$1,800.

The *Daily News* likewise is packaged to fit an advertiser's sales program. One may buy all 1,900,000—with 1,750,000 concentrated in the city and suburbs; the Brooklyn section of 775,000 on Long Island, or the Manhattan, reaching 1,100,000 in Manhattan, Bronx, Staten Island and suburban New Jersey, Westchester County and Connecticut.

A lot of advertisers as well as readers, have been buying a lot of the New York *Daily News* and the *Sunday News* in recent years. The *Daily News* was started in 1919, the *Sunday News* in 1921. Except for one year, 1927, the *Sunday News* circulation has gone consistently upward. It made as much progress in the last six years as in the preceding 12. A coloroto section, introduced in 1934, has been a factor.

The growth in advertising has paralleled the growth in circulation. For several years advertisers have spent more dollars in the *News* than in any other U.S. newspaper. For five years the *News* has been among the first five U.S. papers in total lineage. For three years it has been first in the U. S. in display lineage; for six years first in display among New York papers. From 1929 through 1938, the *News* rose from seventh to second in total lineage among New York newspapers. Last year, throughout the country, it was exceeded in total lineage only by the *Washington Star*, the New York *Times* and the Chicago *Tribune*. In all except classified advertising (which it does not carry) the *News* led the next American newspaper by more than 1,000,000 lines. It carried 17.5% of the total lineage of nine New York and Brooklyn papers.

The *News* peak of 20,308,154 lines was hit in 1937. Last year it declined to 19,-

025,729. In the first nine months of this year, however, it moved 415,308 ahead of its total for the parallel period of 1938, and, barring catastrophe, should hit 19,750,000 for the full year.

This advertising progress has been made through various classifications. In the last decade the *News* moved from seventh to third among New York City papers in general advertising, and from 6.3 to 11.8% of the general advertising of all of them. . . . From 1929 through 1938 it moved from fourth to first in retail lineage—in fact, has been first in retail for each of the last eight years. . . . In both general and retail the *News* lineage today is larger than it was before the depression in 1929. . . . In furniture and household advertising—retail—the *News* has led New York City papers for more than ten years. Last year it carried 51.4% of the total of all nine of them.

The "Sweeneys" use a lot of drug store products, and the *News* for 14 years has been consistently first in such advertising. . . . Millions of "Sweeneys" have an enormous collective appetite, and the *News* for three years has been first in general grocery product advertising.

But the Sweeneys, and the Vanastorffellers, also buy motor cars. Since 1930, the *News* has trebled its automotive lineage, and has increased its share of the New York City newspaper total from 2.4 to 18.2%. It has risen from thirteenth to second in this classification.

Thus, it would seem, there are plenty of advertisers, including those already using the *News*, who will be interested in the new five-way package circulation plan for the *Sunday News*, as well as the three-way package for the *Daily*. The rate per page per 1,000 circulation for the *Sunday News* is now \$2.35.

The *News* people believe that the details of the fit-your-need program will provide advertisers with some real surprise "packages."

## Hartford Courant Is 175

"This edition commemorates 175 years of continuous publication," said a streamer headline at the top of page 1 of the Hartford *Courant* Sunday morning, October 29. This famed Connecticut newspaper was indeed 175 years old. The front page carried a letter from President Roosevelt opening:

**This Edition Commemorates 175 Years Of Continuous Publication**

**Looking Back To Birth Of Courant**

October 29, 1758  
The first issue of the Hartford Courant was published on this date. It was a single sheet, printed on one side, and contained four pages of text. The paper was published by John Dineen, a Quaker, and was the first newspaper published in Connecticut. It was also the first newspaper published in the United States to be printed on a daily basis.

**The Hartford Courant**

ESTABLISHED 1758. VOL. 1 (2033) CH. HARTFORD, CONN., SUNDAY MORNING, OCTOBER 29, 1939—25 PAGES IN 5 PARTS. PRICE 15 CENTS

**President Roosevelt Congratulates The Courant**

THE WHITE HOUSE  
WASHINGTON  
October 27, 1939

Dear Mr. Dineen:

A newspaper that goes back for enough to have played the part of the Declaration of Independence as it were, to have witnessed George Washington as a soldier and later, Robert as a man, is a newspaper that has a right to be proud of its long history.

The celebration of the one hundred seventy-fifth anniversary of the founding of the Hartford Courant is an event of great importance to the people of this State and to the people of this Nation. Your paper has been a part of the life of the State and of the Nation for more than a century and a half. It has been a part of the life of the State and of the Nation for more than a century and a half. It has been a part of the life of the State and of the Nation for more than a century and a half.

I am sure that you will find this letter of congratulation from the President of the United States a fitting recognition of the long and distinguished service of the Hartford Courant to the people of this State and to the people of this Nation.

Very sincerely yours,

*Franklin D. Roosevelt*

The front page of the Hartford *Courant*'s 175th anniversary edition of October 29, 1939, carried a letter of congratulation from President Roosevelt to Editor Maurice Sherman and an article about the ancient and modern history of the newspaper leading into a notable, 220-page issue loaded with local and national interest.



"A newspaper that goes back far enough to have printed the text of the Declaration of Independence as news, to have numbered George Washington as a subscriber and Israel Putnam as a war correspondent is not only venerable but rich in traditions."

The celebration issue, however, was a trifle larger than that first issue so long ago. It contained 86 full-size newspaper pages plus a magazine section of 28 pages plus a special rotogravure magazine of 106 pages recording in text and pictures not only the history of the *Courant* but advances made down the years by Hartford and by the nation in domestic life, transportation, movies, radio, sports, business and a long list of other activities . . . of course including insurance, for which Hartford is a national center. The various sections of this anniversary issue carried a heavy load of advertising both local and national.

### "Know Illinois" Supplement to Run in 50 Papers

"Know Illinois" will be the theme of a rotogravure supplement of at least 48 pages which 50 Illinois newspapers—members of Illinois Daily Newspaper Markets—will run in their May 4 or May 5, 1940, issue. The circulations of these 50 newspapers go into well over 1,000,000 homes. In black-and-white, color and sepia and with many illustrations, well known scientists, educators and feature writers will tell the historical story of Illinois, simply, understandingly and with complete authenticity. Slane-Murphy of Chicago is in charge of selling advertising for the supplement.

### New Radio Network Is Formed

A fifth network, to be known as Transcontinental Broadcasting System, Inc., will begin operation "on or about January 1," it was announced last fortnight by John T. Adams, executive vice-president of the Texas State Network and president of Transcontinental. The new web, formed under the guiding hand of Elliott Roosevelt, president of TSN, will "cover around 100 stations" when it begins actual broadcasts from New York, Chicago and Hollywood the first of the year.

Vice-presidents of Transcontinental will be Lester E. Cox of KCMO, Kansas City; John Robert, KXOK, St. Louis, and William A. Porter, Washington attorney. R. M. Thompson, of KQV, Pittsburgh, is secretary, and H. J. Brennan of the same station, treasurer. Elliott Roosevelt will hold no official office.

### Magazines Gain 21% Circulation Since 1930

Fifteen of the leading magazines that have been published throughout the ten years ending last June gained 5,500,000 circulation—equal to 21%—during that period. This headline fact stands out in a detailed "Analysis of Net Paid Circulation and Subscription Production" released by the magazine committee of the Association of National Advertisers, Inc. Though newsstand sales declined from 41% of total circulation in 1930 to 29%, increases from other sources reflect the different character of circulation sales. In many cases sales by the publishers rose and sales by "field selling organizations other than publishers' own" rose from 16% in 1930 to 30% in 1939. Long-term subscriptions ranging from two to five years rose from 29% to 49%

NOVEMBER 15, 1939



WANT  
NATION-WIDE  
COVERAGE?

**AIR EXPRESS IS Tops**

3-mile-a-minute deliveries direct to 232 key cities puts the nation under your thumb for super-speed shipments of electros, layouts, samples, printed matter—most anything you have. AIR EXPRESS service is modern, complete and 'on its toes' to beat nation-wide dead-lines—2500 miles overnight. Fast air-rail connections to off-airline points; also to Canada, Latin America, Hawaii and the Far East. Phone Railway Express—Air Express Division for action.

FREE booklet, "How to Profit with Air Express." It tells you how! Write Dept. 14, Air Express Division, Railway Express Agency, 230 Park Avenue, New York, N. Y.

**AIR EXPRESS**



**AKRON**

ABC CITY ZONE  
POPULATION 316,706

## BUSINESS IMPROVEMENT NEAR TOP FOR NATION

From available National figures, Akron business improvement is near the top for the nation.

Department store sales for the two weeks ending Oct. 14, as reported to the Federal Reserve System, showed the biggest gain in the United States over the same weeks in 1938.

The number of persons on the factory payrolls of the six major rubber companies was 13% higher last month than September, 1938.

New car sales for the three months ending Sept. 30th, showed a gain of 119% over last year.

The value of new home construction for the third quarter of 1939 was the highest since 1931 and 77% higher than the same period in 1938.

Ohio Bell Telephone Co. has passed the peak year of 1931 when it had a total of 46,897 installations. By the end of the year Ohio Bell expects the number of installations to reach 59,500.

*This alert, free spending market is open to new sales promotions. For complete, economical coverage use the*

**AKRON BEACON JOURNAL**

ESTABLISHED 1839

Represented by: STORY, BROOKS & FINLEY

## 3 TYPICAL TRAVEL STORIES:

**Business Men—Read Them!**



1. A New Yorker boards TWA's "Sky King" 5:30 p.m. in Chicago—is home by bedtime—same day! Fare . . . \$44.95

2. Another man leaves Los Angeles 5 p.m. on the "Sky Chief"—lunches in New York next day! . . . \$149.95

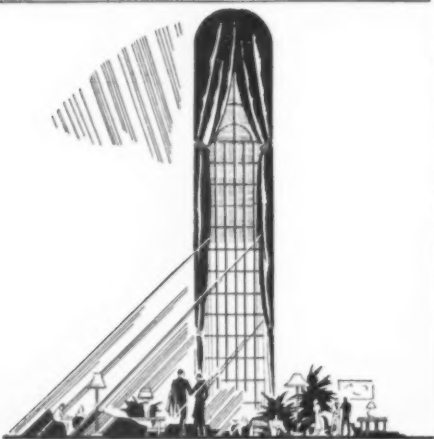
3. A St. Louis man "commutes" 3 times a week to Kansas City! 255 miles in 1½ hrs.—via TWA! . . . \$12.95

Schedules spaced to gain you valuable business hours! 3 fast coast-to-coast flights daily. Overnight service in giant Douglas Skysleepers. Daylight scenic flights via Grand Canyon, the Painted Desert—the sunny Southwest! Phone your Travel Agent or TWA for rates to 140 major cities.

10% Discount on Round Trips!

IT PAYS TO FLY TWA

The Airline Run by Flyers  
SHORTEST, FASTEST COAST-TO-COAST



## WANTED

a better word for Service

● We want a word for the hundred-and-one ways we Hotel Clevelanders try to make your stay more comfortable.

— For the genuine welcoming smile from managers, and the ways they prove that this entire Hotel is managed for you.

— For the profusion of flowers, the colorful lounges, the extra-crisp linen, the restful rooms, the atmosphere that we're glad you're here and we want you back.

Service is a weak word for these attentions. Come and experience them, then you'll know what we mean.

Rooms from \$3

HOTEL CLEVELAND  
Cleveland

of the total sold for the year ending June 30, 1939.

This elaborate analysis for sale by A.N.A. shows yearly for each publication the average net paid circulations by source, single copy sales by channels, and subscription sales divided both as to channels and inducements. Much other information is also covered in charts and tabulations.

## Media Notes

On October 24 Thomas H. Beck, president of The Crowell-Collier Publishing Co. announced the suspension of *Country Home Magazine* as of the December, 1939, issue. "Frankly, the game is not worth the candle," said Mr. Beck. "We prefer to concentrate in more profitable and promising fields. We will retain the name, good will and subscription list."

In "Advertising Facts—No. 24" the Bureau of Advertising, A.N.P.A., tells the story of how 21 Federal savings and loan associations in the New York metropolitan area employed cooperative newspaper advertising and increased their assets \$25,427,345 in two years.



E. F. Sitterley,  
now publisher of  
*Importers Guide*

Last fortnight a change in officers of J. E. Sitterley & Sons, Inc., publishers of *Importers Guide*, New York, made E. F. Sitterley president and publisher, succeeding his father who becomes chairman of the board of directors. G. F. Taylor, for 15 years eastern advertising manager, and C. R. Lucke, manager of the Chicago office, are new vice-presidents. T. S. Sitterley was elected secretary and treasurer.

Printer's ink perfumed with aphrodisia oils and tinted a vivid green was used in a half-page advertisement for "Aphrodisia" perfume in the Indianapolis *Star* November 1.

Three radio networks report October

billings thus: NBC's gross client expenditures for October were \$4,219,453, which was 11.8% over the corresponding month last year, and 27.3% over September, 1939. CBS gross billings for October totaled \$3,366,654. Its September figure was \$2,563,132. Mutual's October total was \$428,221, an increase of 23.1% over October, 1938.

Station WOR, New York, releases a report by National Radio Records which shows WOR "carries 41% more spot business than the total combined spot business carried by the three other New York 50,000-watters."

On August 27 *The Commentator* purchased the rights and good will inherent in the name of *Scribner's*, a 50-years-old magazine which suspended publication last May. With the November issue the combined publications appear as *Scribner's-Commentator* in standard 7-by-10 page size with offices at 101 Park Avenue, New York.

The first issue of *Everywoman's Magazine*, a new publication to be distributed through independent grocery stores, makes its appearance January 3, under the sponsorship of Francis H. Leggett & Co., New York, distributors of Premier and other brands of food products. Initial distribution will cover independent grocers in the eastern half of the United States.

Leo P. Bott, Jr., from Donahue & Coe, is now assistant promotion manager of *True Story Magazine*.

## Successful Farming Men Fly

Maps and statistics are a little dry. If a salesman can put some life into them when he lays them down on a prospect's desk, it helps. So, during the last week of October, Meredith Publishing Co. of Des Moines put all its *Successful Farming* salesmen into a chartered United Air Lines Boeing plane and flew them over the magazine's "Thirteen Heart States" of the Middle-West. With their sales maps in hand, they looked down on each of these states, noting for themselves the obvious differences that exist between the "good" counties where *Successful Farming* coverage is best and the "indifferent" and "poor" counties. It was a dramatic lesson. These salesmen have now seen for themselves the very thing they are selling. From now on counties of the proper color on their maps live in their minds. They'll try to carry their impressions right to buyers of advertising.



The salesmen of *Successful Farming* who flew over the 13 "Heart" states to see their market for themselves. Reading from left to right, front row—W. H. Kiefer, New York; W. F. Jones, New York; Miss Denton, stewardess; Brice Gamble, New York; Ed Meredith, Des Moines; Don Sweet, Des Moines; second row—O. G. Schaefer, New York; R. C. Ferguson, Chicago; third row—Luke E. Miller, Detroit; Forrest Blair, Des Moines; top row—Lowell M. Negley, Chicago.

SALES MANAGEMENT



# The Less-than-Absolute Guarantee

(Continued from page 20)

might make your goods benefit by this very handicap, in comparison with competitors who don't guarantee. (Test this on yourself, after re-reading those Sears and Ward guarantees.)

In these days when manufacturers seem to be "trying everything"—from pseudo-medical phrase-coinage to premiums and prize contests of every conceivable kind—maybe the good, old-fashioned guarantee of the merchandise itself has a real place in advertising and selling. It's clearly an individual matter for each manufacturer to decide for himself.

I'm not asking manufacturers generally to go to the generous extreme of Colgate-Palmolive, Old Gold and others in temporary introductory drives on their products—*double* your money back if not satisfied.

But if you do have a guarantee, have one that helps clinch the sale, that builds up consumer and dealer good will, and does justice to the merchandise itself.

Many guarantees (like the Westclox one and the automobile one) don't do justice to the manufacturer, or the service which this good merchandise gives for the money.

## Guarantees Need Modernizing

My hunch is that guarantees such as these were turned out in the early days, when some maladroit person suggested that—while being as original as possible as to their automobiles and their clocks—they match somebody else in getting credit for a guarantee, without risking too much replacement; and, while they've constantly modernized their automobiles and their clocks, nobody has ever thought of modernizing the guarantee.

If you do have a guarantee, have one that builds up confidence in *you* as a manufacturer. You don't strengthen yourself when your own guarantee is a puny one, and you complacently back up the retailer in giving a better guarantee than your own. It's probably better to have no guarantee at all.

The middleman, who isn't the final consumer, gets an automatic make-good on a fair basis—because he's a *multiple* buyer (or passer-on). But the individual whose money swings the whole transaction—the fellow who uses up the product—he has been guaranteed a make-good by the manufacturer only if he goes through a silly, expensive rigamarole like this, because

he's only a single buyer (at any one time).

If I were a great national advertiser I wouldn't spend a few million dollars in years of national advertising, window and counter displays, etc., to establish *my* individuality with the public, and my independence of retailer's whims and price-demands—and then, by an unwise (and quite unnecessarily unwise) guarantee, carelessly convince the consumer that, after all, the *retailer* is the only one to rely on.

## Whom Shall the Buyer Trust?

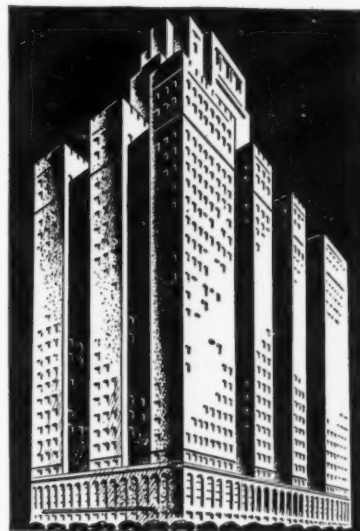
If the well-known, well-advertised clock is guaranteed for only 90 days, and then only by paying 40% extra; whereas any clock recommended by the retailer (including this advertised clock, probably) is guaranteed for a year, and with no charge for making good—doesn't this make the retailer even stronger with the purchaser, *at the advertiser's expense*? If I rely on the retailer's *guarantee*, why not on the retailer's *recommendation* as to which clock to buy?

The more cases where the public meets up with this sort of thing, the greater the tendency to ignore or be suspicious of national advertising impressions, and rely on the retailer's guarantee or advice.

But if you are going to have any guarantee at all, make it a confident, friendly, and convincingly fair one which makes the prospect feel that manufacturing mistakes must be very rare; but if . . . well, the manufacturer doesn't ask the innocent buyer to pay for the manufacturer's own mistake—or rely on the retailer's help to get him a square deal.

[*Author's Note:* The sales manager studying the guarantee subject will find much to influence his thinking—pro or con—in the current attack of the Federal Trade Commission on *Good Housekeeping's* guarantees. Regardless of the outcome, the attendant publicity may or may not create an advantage for him in a specific guarantee of his own.

It's 12 years since the then-chairman Humphreys of the FTC told me, in 1927, that the complaint against *Good Housekeeping* was being studied even then. It's probably significant that, during this period, attacks haven't been made on individual company guarantees (like Sears' and Ward's) which are scrupulously made good, and can't be misunderstood or misused. But, in these uncertain times, it's desirable to have good legal advice about any guarantee—existing or proposed—particularly if it may be affected by Wheeler-Lea and other new laws.]



## "THE WORLD'S GREATEST HOTEL"

fronts the blue waters of Lake Michigan, on beautiful Michigan Boulevard. It is ideally accessible to Chicago's business district; and to that profusion of wonders—industrial, cultural, educational, and entertainment—for which Chicago is so justly famous. The service is planned with care and discrimination.

JOSEPH P. BINNS,  
General Manager

THE  
**Stevens**  
HOTEL  
CHICAGO



# SALES LETTER ROUND TABLE

If You've Written a Letter That Gives an "Extra Satisfied" Feeling, Send in a Copy to This Department. It May Win.

## Customers Lap Up Soothing Syrup as Easily as Customers

In the bad old days before business awoke to the necessity of proper customer relations, nothing was too good for a prospect. Salesmen would laugh at his feeblest jokes, write him *billets doux*, butter him up to an overwhelming degree. But once he was on the books as a customer, about the only attention he received was from the Collection Department.

This Dr. Jekyll-Mr. Hyde attitude has now been generally dropped in the ash-can, although it lingers on at some fuddy-duddy firms. Most companies recognize that customers demand kind words and an interest in their welfare. Therefore letters of appreciation for patronage conferred and requests for complaints—if any—before relations are strained are increasingly popular.

In this classification, the following pair serve as excellent samples of the art of locking the stable in advance of horse-stealing. The first was prepared by Dankmeyer Advertising Agency, Baltimore, for one of its clients. It reads:

"Don't you sometimes feel that business today, for all its efficiency, lacks something?"

"This little story illustrates what I'm driving at. A woman of my acquaintance recently cancelled an annuity contract simply because the payments became too dull and impersonal. 'Do you know what I get each month for my \$44?' she asked me. 'No,' I replied, 'what?' 'A stingy little blotter!'"

"I wonder how my customers feel about their transactions here. In the earlier days I was in personal touch with folks, and I did not have to assume they were being treated right . . . I knew. But this business has grown to such proportions in recent years that the former personal contact I had with the trade is denied me now; and I honestly miss it.

"Of course, I take pride in the efficiency and the loyalty of my co-workers. Nevertheless, I know errors are bound to occur in a volume business, and I like to check up now and then to make sure that folks who deal here are being well treated.

"It is in this spirit that I come to you now and ask: Have you been getting the kind of service and attention you have a right to expect from us? Should we ever fall short of your expectations, won't you tell me frankly? I'll appreciate it as a friendly act, and do my very best to make amends.

"I scarcely need add, your good will is one of my biggest assets, and I want you to know that your business is appreciated, and I thank you for it."

The second was written by B. D. Quackenbush, general manager of Suttle Equipment Co., Lawrenceville, Ill. Says he smoothly:

"If I had a magic carpet, I'd climb on it and come to see you today. I just noted that so far this year you have done \$342.97 worth of business with us, and I'd just like to say thank you in person.

"You have treated us splendidly, Mr. Blank. In turn, we have all tried to give you our best. I hope we can continue this pleasant business through the years.

"For our part, we expect to do even better for you in the future. We've been growing steadily for the past nine years. Each year we have put most of the profit back in the business—in new equipment, facilities, and inventory.

"Thus, each succeeding year we have been in a better position to serve you. Our organization has grown in experience and viewpoint, too, so we know better HOW to help you. I'm counting on these things to be of greater value to you.

"Maybe this sounds like bragging. But I'm proud of our Suttle organization. I know it is sincerely thinking of your interests and how it can best help you. And I don't believe it will do any harm for you to know these things.

"So thanks again, Mr. Blank. As head of Suttle, I'll try to keep it ready and able to serve you."

## And for Reviving a Dead Account This Is Recommended

Somewhat along the same line is the following epistle by C. A. Brown, sales manager of the C.S.T. Co., Louisville. Its object is not soothing a present customer, but bringing to life a former account that has been inactive. It won the first prize last month. You'll see why below:

"Auditors are very smart men. They come into your office, look at your books, count your money, appraise your real estate, check your stock, balance your bank account, estimate the value of your fixtures and then tell you how much you're worth.

"They're smart men. But somehow or other they never think of counting your customers, checking to see if they're all alive, inquiring if they're all satisfied. Auditors tell you how much you're worth, but they forget all about a company's most valuable asset—its customers.

"But we haven't forgotten about you. We haven't 'written you off' our books. Even though you haven't called on us to handle more claims in several months, we still think of you as a friend and client.

"May we continue to do so? And if

you stopped sending us business through some fault of ours will you let us know? Meanwhile your file will remain open . . . and, when next needing professional assistance can we expect to hear from you?"

## Here's a Novelty Enclosure That Means Something

Gadgets and novelties as enclosures are often lugged in by the heels with little reason for their use except as attention-getters. Lewis Kleid, president of Mailings, Inc., New York, is more adroit. He attaches two aspirin tablets in a "Cellophane" envelope to his letterhead, and inquires in a headline, "Does your D. M. give you a headache?" This is how he continues in the same vein of medical phraseology.

"Here's relief:

"No—not Aspirin—but experience!

"Patent medicines, panaceas and poultices have their place—but, they try to correct, they don't prevent.

"If you're displeased with your Direct Mail results—perhaps we can be the Doctor.

"We can apply 'preventative medicine' or give your direct mail a tonic stimulant. Experience in creating and producing millions of mailing pieces (5,000,000 for the Book-of-the-Month Club alone) has taught us what to do and what not to do.

"Most doctors charge a fee for consultation. We run a Clinic—diagnose your case and prescribe copy and ideas *without charge*.

"If you should retain us for treatment, you will receive the skilled services of a Specialist at the modest fee of a General Practitioner.

"There's a Prescription card enclosed that's already filled in with your name. It will bring a Specialist and Case Histories of remarkable cures."

## Round Table Winners for October

C. A. BROWN  
C.S.T. Co.  
Louisville, Ky.

Dankmeyer Advertising Agency  
Baltimore, Md.

ALAN RANDALL  
Quality Bakers of America  
New York, N. Y.

SALES MANAGEMENT

# WHAT'S ON THE HORIZON FOR '40?



*"The yards are on the backstays,  
The wheel is kicking strong,  
Up a spoke, down a spoke,  
Steady her along."*

—OLD SAILOR CHANTEY.

HERE TODAY, WHERE TOMORROW? . . . Tops today, toppling tomorrow! America—the fastest moving country in the world . . . where a product or service can zoom to success overnight and fail just as quickly.

And what a problem it is to keep a product steady against the stormy winds of competition. For you've got to know the thoughts and trends of your consumers and dealers, whether present or potential, whether in towns, cities, farms or nationwide. The business telescope must constantly scan the horizon for rough going ahead.

Ross Federal's trained representatives will uncover vital facts that chart your business future. Every fact authentic, pertinent and unbiased—

every fact clearly defining consumer and dealer thoughts on your product, advertising, distribution, and inherently showing how to adjust your sales plans to meet such thoughts profitably.

Unless you know these facts your advertising, sales and distribution plans stand a good chance of going aground. And the cost of a Ross Federal Consumer Study is minute compared to the vast amount you'll save by knowing where, when and how to spend.

Call in a Ross Federal man today and let him explain how to safeguard the success of your sales plans through Ross Federal Research. You'll agree it's well worth while.

**ROSS FEDERAL RESEARCH**  
CORPORATION

18 EAST 48TH STREET

NEW YORK



**Redipoint** THE BUSINESS MAN'S PENCIL

SECURE COOPERATION  
OF JOBBERS' SALESMEN  
WITH REDIPOINT

MANUFACTURED  
EXCLUSIVELY FOR  
ADVERTISERS BY

**BROWN & BIGELOW**

*Remembrance Advertising*

SAINT, PAUL, MINNESOTA

**Stimulating  
SALESMEN  
THROUGH MERCHANDISE  
PRIZE CAMPAIGNS**

Ask  
for Details

**CAPPEL, MacDONALD & CO.**  
DAYTON, OHIO

DETROIT • NEW YORK • CHICAGO • ST. LOUIS  
CLEVELAND • LOS ANGELES • DALLAS  
SALES CAMPAIGNS • PRIZE AWARDS

**SALES CONTESTS**

**Planning and Merchandising**

Sample copy of our Merchandise Prize Catalog, and brochure, "Information on Sales Contest Operation," furnished to sales and advertising executives without charge.

**SALES CONTESTS, INC.**  
Talbot Realty Bldg., Dayton, Ohio

**SO YOU'RE GOING TO  
ST. LOUIS! STAY AT  
Hotel Lennox  
IT'S RIGHT DOWNTOWN.  
GOOD PARKING...AND  
MAN, WHAT SERVICE!**

ALL ROOMS WITH BATH—RADIO RECEPTION

**PHOTOSTATS**

**COMMERCE PHOTO-PRINT  
CORPORATION**

**1 WALL STREET**  
233 Broadway 56 Pine St.  
80 Maiden Lane 33 W. 42nd St.  
Dlgy 4-9135-6-7-8

Add reprints of  
**Marketing Pictographs** to  
your selling kit. Write Sales  
Management for prices.



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office please use a separate letterhead for each booklet requested, to facilitate handling. The address is **SALES MANAGEMENT Reader's Service Bureau**, 420 Lexington Avenue, New York, N. Y.

### Glass vs. Paper Bottles Battle in Major Markets

Executives interested in packaging liquid products, and aware of the glass bottle-paper container rivalry, will find the glass bottle thesis ably presented in a recent booklet entitled "*Your Milk Container.*" The subject assumes special news significance in view of the announced intention of large milk distributors in New York City to substitute paper containers for glass bottles—in spite of the admittedly higher cost of the paper containers, a fact which is thoroughly brought out in the study. Published by the Glass Container Association of America, the study presents specific market distribution problems in Atlanta, Baltimore, Boston, Buffalo, Cleveland, Detroit, New York, Philadelphia, Toledo, Washington, D. C., Northern and Southern New Jersey, Rhode Island, and Connecticut. Three sections consider "Facts About Milk Marketing," "Case Histories of Milk Markets," and "Comparison of Container Costs." Requests to F. P. Gass, Glass Container Association of America, 19 West 44th St., New York, N. Y.

### Motor Industry Correlates Men, Methods and Machines

Sales executives in any industry which thrives on public approval of its production and personnel policies, and that means most industries, should find in a recent study published by the Automobile Manufacturers Association many suggestions. Entitled "*Men, Methods and Machines in Automobile Manufacturing,*" it is a factual and pictorial presentation of the progress of the industry since 1920, with emphasis on that bugaboo of all industry, technological displacement of labor. The positive assertion is made that there has been no aggregate technological displacement of labor in automobile factories despite the introduction of countless new and more productive machines and processes. Evidence supporting this position is given in terms of man-years of employment for all recent years of comparable production (in which 3,000,000 or more cars were produced). Requests to the Automobile Manufacturers Association, 366 Madison Ave., New York, N. Y.

### Marketing Laws Survey Charts State Trade Barriers

So much has been condensed in the eight chapters and 88 pages of "*Barriers to Trade Between States*" that this column is frankly stumped at the task of further condensation here. Yet for all executives

who have felt the pinch and railed at the complexities of state trade barriers in commerce, this study is a "must."

Published by the Works Progress Administration, it is the work of the staff of the Marketing Laws Survey. It is based on the various state laws which tend to obstruct interstate trade within the categories of liquor, motor vehicles, dairy products, oleomargine, selected live stock, eggs, and general foods, nursery stocks, use taxes, and general preferences for State products and labor. In each of these eight categories, charts are developed for every state in which such laws are in force.

The study is the first result of a comprehensive investigation now in process, which will contain an analysis of the constitutional and legal aspects of the barrier laws and the Federal and state court decisions interpreting them. That this study is of utmost importance to sales executives goes without saying. For the report, send 25 cents to the Superintendent of Documents, Washington, D. C.

### Cold Cereal Survey for New York Market

Latest in the series of food and drug product surveys which the New York Times is making for its metropolitan market discloses that cold breakfast cereals are in greater favor with high-income families this year than last, while families in the middle- and low-income brackets are eating less of them. This high-income market increase was made in the face of a general decline in the cold cereal business in the market as a whole. Covering all sizes of 21 different brands and makes, the study is based on interviews with 70 stores serving high-income neighborhoods, 160 serving medium-income neighborhoods, and 270 serving low-income neighborhoods—a proportion expressed as a true cross-section of the entire city market. For copies of this study, and information regarding previous and forthcoming studies in the series, write Ivan Veit, New York Times, 229 West 43rd St., New York, N. Y.

### 1854-1939 Babsonchart Ready

Readers of this column are invited to send for a copy of Babson's large U. S. Chart covering the period from 1854 to date, 1939. Known the country over as the Babsonchart, it is the foundation upon which the Babson Board of Investment bases its studies and conclusions. Periods of depression are shown in red, with alternating periods of prosperity in black. Commodity prices, bond yields, and stock prices are shown in relation to the industrial depression-prosperity curve. Requests for "*U. S. Chart 1854-1939*" should be sent to David L. Babson, Babson's Reports, Inc., Babson Park, Mass.

\* \* \*

"1939-40 Farm Paper Duplication Study"—11th annual study of state and national farm paper circulations, listing by states the circulations of 34 general farm papers which are members of the A.B.C.; 29 state and sectional, and five national farm papers. An important feature is a table showing circulation per 100 farms by states of each of the 34 farm papers, designed to facilitate calculation of the coverage obtainable through the use of any combination of these 34 farm papers. Copies available on request to The Katz Agency, Inc., 500 Fifth Ave., New York, N. Y., or any other offices of that company.

SALES MANAGEMENT



## PERSONAL SERVICE AND SUPPLIES

Cash Basis Only. Remittance Must Accompany Order.

Classified Rates: 50c a line of seven words, minimum \$3.00. No display.

### BUSINESS OFFICE SERVICE

ATTENTION SALES EXECUTIVES AND REPRESENTATIVES. A dependable limited branch office service, handling mail, phone calls, etc., \$5.00, up, monthly, in Dallas, hub of the Southwest. References furnished. Write for details to 631 Fidelity Bldg., Dallas, Texas.

### EXECUTIVES WANTED

**SALARIED POSITIONS. \$2,500 to \$25,000.** This thoroughly organized advertising service of 29 years' recognized standing and reputation, carries on preliminary negotiations for positions of the caliber indicated above, through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance the moderate cost of his own campaign. Retaining fee protected by refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If your salary has been \$2,500 or more, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N.Y.

**TO THE MAN OF EXPERIENCE. \$2,400 yearly** and up, seeking a new connection, but who wishes to protect, beyond question, his identity and present position, this service, established 1927, offers a plan especially geared to present day conditions. Of equal pertinence is our alternate plan for the man, now unemployed, who wants to locate the quickest market for his services. Send name and address only for particulars. J. T. Jennings, P. O. Box 161, Taylor Place, Short Beach, Connecticut.

**EXECUTIVE POSITIONS**—The Executive Bureau's personalized advertising service offers a dignified, practical and confidential procedure to salaried executives of outstanding ability to complete the important first-stage negotiations for the higher salaried positions. The low cost of each campaign is financed and controlled by the client in a fair contract agreement. Identity held in scrupulous confidence. If your qualifications can meet exacting requirements, your name and address will bring details. The Executive Bureau, 700 Plymouth Building, Minneapolis, Minnesota.

### HELP WANTED

**SALESMAN**—Experienced in Construction Industry in Metropolitan and/or Eastern Up-State New York for old, established building specialty line. Write experience, age, compensation desired. Box 679, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

### LINES WANTED

**SALESMAN** who really knows the Drug and Toilet Goods trade in Texas and neighboring states open for new connection January 1st. Gentile, 39. Excellent selling record, finest trade references, home in Dallas. You must offer genuine opportunity for better-than-average earnings. Box 680, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

**TERRITORY**—WESTERN NEW YORK; HEADQUARTERS, Buffalo. Wants lines sold to industrial and tool and machinery makers, either as manufacturer's representatives or district manager. Thoroughly qualified to handle any mechanical equipment. Box 681, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

**GROCERY BROKER** with large following wants two or three major repeat lines to be sold to jobbers in any or all of these states. Want only lines with large volume possibilities; preferably established brands. Replies treated in strict confidence. Box 682, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

**THE FOLLOWING SALESMEN AND/OR** sales organizations have filed with SALES MANAGEMENT bids for new or additional products to be sold in the territory designated. Manufacturers interested in establishing contact with any of these sales representatives should mention the key-number at the beginning of the advertisement. This department is conducted solely as a service and SALES MANAGEMENT cannot guarantee the integrity of any

### LINES WANTED (Continued)

of the individuals or firms represented in this list. To the best of our knowledge they are reliable. Address: READERS SERVICE DEPT., 420 Lexington Ave., New York City, N. Y.

Ag-49: Territory: National, or New York metropolitan area, hdqrs., New York. Established marketing company wants automotive products selling to jobbers; also industrial products.

Ag-50: Territory: Wisconsin, hdqrs., Milwaukee. Wants building specialties which work in conjunction with an ornamental, miscellaneous, and structural steel shop.

Ag-51: Territory: Fla., or S. E. states. Wants building materials selling to jobbers and contractors.

Ag-52: Territory: Cal., hdqrs., Glendale. Wants lines selling to packaging trade, particularly containers with re-use appeal to consumers.

Ag-53: Territory: New England, hdqrs., Hartford. Wants additional products or services selling to industrial.

Ag-54: Territory: Fla., hdqrs., Miami. Wants Products and merchandise of merit adaptable to tropic and semi-tropic state.

Ag-56: Territory: Metropolitan New York, hdqrs., that city. Wants merchandise for maintenance of hotels, hospitals, real estate management firms, steamship lines, factories.

Ag-57: Territory: Costa Rica, hdqrs., Orotina, C. R. Wants advertising specialties, premium items, etc.

Ag-58: Territory: Metropolitan New York, hdqrs., Brooklyn. Wants product selling to grocery and drug trade through wagon jobbing system.

Ag-59: Territory: N. E. states, hdqrs., Milton, Mass. Wants lines selling to large industrial and tool and machinery makers.

Ag-60: Territory: Metropolitan N. Y., hdqrs., New York City. Wants industrial product.

Ag-61: Territory: Pacific N. W., hdqrs., Salem, Ore. Wants any meritorious product.

Ag-62: Territory: Metropolitan New York, hdqrs., New York City. Wants houseware and hardware items selling to syndicate chains and wholesalers.

Ag-64: Territory: N. C., S. C., Va., hdqrs., Richmond. Wants hardware specialty lines selling to general stores, hardware and repair shops.

Ag-65: Territory: St. Louis, Mo., hdqrs., that city. Wants lumber and building materials.

Ag-66: Territory: Cal., Ariz., Nev., hdqrs., Los Angeles. Wants industrial lines.

Ag-67: Territory: Detroit and Eastern Mich. Wants any meritorious product.

Ag-68: Territory: N. J., Eastern Pa., Dela. Wants products selling to engineers, architects, contractors, and industrial.

Ag-69: Territory: Minn., N. D., S. D., Wis., Ia. Wants men's and boys' clothing, sportswear, work-clothes; women's dress goods; women's fur coats.

Ag-70: Territory: D. of C., hdqrs., that city. Wants repeat lines to grocery trade.

Ag-71: Territory: D. of C., hdqrs., that city. Wants motor oils.

Ag-72: Territory: D. of C., hdqrs., that city. Wants any meritorious product.

Ag-73: Territory: D. of C., hdqrs., that city. Wants lead pencils and stationery.

Ag-74: Territory: Colo., hdqrs., Colorado City. Wants products selling to hardware and seed stores.

Ag-75: Territory: Cal., Ore., Wash., Hawaii, hdqrs., San Francisco. Wants lines selling to jobbers of automotive, hardware, mill and mine, plumbing or glass trades.

Ag-76: Territory: La., Tex., hdqrs., Houston. Wants good novelty, art and staple merchandise selling to wholesale drug; also department and chain store trades.

Ag-77: Territory: Lake states, hdqrs., Chicago. Wants any meritorious product selling to drug, department and variety stores.

Ag-78: Territory: Western N. Y., hdqrs., Buffalo. Wants industrial products, preferably metal items; also building specialties selling to jobbers and contractors.

Ag-79: Territory: Western N. Y., hdqrs., Buffalo. Wants lines selling to industrial, tool and machinery makers, either as manufacturer's representative or district manager.

Ag-80: Territory: All or part S. E. states, hdqrs., Birmingham, Ala. Wants additional lines to sell electrical and hardware jobbers.

### POSITIONS WANTED

#### SALES EXECUTIVE WITH CAPITAL

A man recognized as a sales builder and contributor to industry development desires new connection. Knows problems of manufacturer, distributor, dealer, department store and Utility. Familiar with specialty merchandising, including hiring, training and managing men. Can devise sales promotion materials and campaigns. A connection with opportunity of making moderate investment for future return considered. A family man, college and specialized training with background in general finance and accounting. Box 677, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

### REPRESENTATION WANTED

THE FOLLOWING MANUFACTURERS HAVE filed with SALES MANAGEMENT bids for sales representation in the territory or territories described, for lines designated. Sales agents interested in establishing contact with any of these manufacturers should mention the key-number at the beginning of the advertisements. This department is conducted solely as a service and SALES MANAGEMENT cannot guarantee the integrity of any of the individuals or firms represented in this list. To the best of our knowledge they are reliable. Address: READERS SERVICE DEPT., 420 Lexington Ave., New York City, N. Y.

Mf-22: Product: Grocery specialties. Territory open: Most states north of Ohio and east of the Mississippi.

Mf-23: Product: Artware selling to department stores, etc., faience tile, to building contractors. Territory open: National.

Mf-24: Product: Building maintenance supplies pipe joint compound for industrial use. Territory open: National.

Mf-25: Product: Electric motors and machine tool drives. Territory open: New England and eastern trading centers.

Mf-26: Product: Industrial floors; waterproofing. Territory open: National and Canada.

Mf-28: Product: Industrial lubricants and other quality products. Repeat business. Territory open: National and Canada.

Mf-30: Product: Wholesale and retail drug item. Territory open: National and Canada.

Mf-31: Product: Auto and furniture polishes. Territory open: National.

Mf-32: Product: Sanitary napkins, selling through chain drug, department and syndicate stores. Territory open: New England, Southwest, South, Midwest.

Mf-33: Product: Automobile body solder and spray gun solder. Territory open: Those centered by Detroit, Cleveland, Chicago, Indianapolis, St. Louis, Kansas City, Denver, Los Angeles, San Francisco, and Seattle.

Mf-34: Product: Lingerie selling to retail and specialty shops. Territory open: Ind., O., Mich., N. Y. excluding New York City, New England.

Mf-36: Product: Artificial food reproductions sold to restaurants, meat markets, electrical stores, etc. Territory open: East of Mississippi.

Mf-38: Product: Metal turning lathe. Territory open: National.

Mf-39: Product: steam unit heater and exhaust fan, for stores, offices, industrial. Territory open: National.

Mf-40: Product: Hardware item to be sold to chains and jobbers. Territory open: N. Y., Ill.

Mf-41: Product: Drug item to be sold by state, district, or county representative as side line or only line. Territory open: National.

Mf-42: Product: Water and metal treatment for boilers for industrial and buildings; hot surface paint for stacks, etc. Territory open: Chicago, Ill.; N. Y., N. J., Mo., Ind., Mich., Wisc.

Mf-43: Product: Office specialty, selling direct to commercial houses, federal, state, county, city depts. Territory open: All except Chicago, New York City, Boston, Philadelphia.

# C O M M E N T

BY RAY BILL



**P**AGING "ALL-AROUND" LEADERS: As science, education and time march on, most of us find a fast-changing world less and less easy to comprehend. Why? Can it be that world progress operates inversely with human intelligence? Can it be that the greater the number of things we need to know something about, the less our average knowledge about each thing becomes, thereby developing a status of lower and lower intellectual competency?

Cowards and pessimists shrink away from the deepest problems of these modern times. The old law of leadership still applies, in that only those of courageous and optimistic spirit press on for new and more adequate solutions. Yet where are we now?

Do our people as a whole regard the private enterprise system as vastly superior to any known form of totalitarianism, dictatorship or other name for state socialization of business? If not, why not? And from whence will come the type leadership that is now missing?

Again, for example, if we now have 67% of the world's gold supply and are in a fair way to hold an even more dominant percentage, what will then happen? Who *really* knows and is leading the rest of us to at least a fair degree of understanding? Are we going to make ourselves, not the richest but the most hated nation on earth through owning too much of the world's gold? Are we going to force the rest of the world to make war upon us, instead of letting us foster world-wide peace?

It seems to be definitely established that our credit machinery operates somewhat irrationally. We amplify booms by expanding credit at the very time we should be contracting it. When depressions come, we contract credit, with terrifying results, at the very time we should be expanding it. To be sure, we attempt to solve such problems, but we do not attain adequate solutions.

Then again, and only for example, it is apparently all right to build an excess of post offices for which no current demand or need exists, i.e., to subsidize unwanted production—but it is also and simultaneously apparently all right to curb production of agricultural and other products for which there remains a substantial, unsatisfied need within the borders of our own country. Certainly, we have sought compromise solutions, but it is heresy to no one to state that we have not as yet found adequate answers.

It is unnecessary to go on, because it is all too obvious that our composite leadership, however strong in spots, is nevertheless very faulty in its aggregate of both comprehension and accomplishment. Again, why?

The plain truth is—our bankers have learned too much about banking and too little about many things on which banking is dependent. Our business men have learned too much about business, and too little of all else that makes and breaks business. Our educators have learned too much about teaching and too little about much of what they teach. Our labor leaders have learned too much about labor, and too little of many things on which the welfare of labor is really dependent. Our politicians have learned too much about politics, too little about public welfare.

No doubt, progress in specialization forces the pace for greater specialization. It creates intelligence of a very valuable sort but it fails to create all-around leadership that can do justice to our modern requirements.

We need post-post graduate training to make all-around leaders out of some of our specialist leaders.

In years gone by, we have used the term statesman to measure and identify the type of leadership which spread beyond specialization and the decidedly partisan, often selfish leadership which proverbially characterizes specialized leadership. But even that term falls short of describing what we need in these modern times. Our governmental statesman is still too much the politician; our business-statesmen still too much the business man.

On both private and public payrolls we compensate men to become great *specialized* leaders in education, agriculture, labor, business, engineering, economics and finance. We do likewise for progress in justice, through lawyers and judges. But where, when and how do we compensate men to develop into all-around leaders—into good balancers of our vast specialized knowledge?

Would it not really be wise to select a certain number of our specialized leaders and subsidize them for the rest of their lives at public expense to develop the technique of all-around leadership—to the end that we may have more and better all-around leaders and to the end that our people, mass as well as class, may have steadily better guidance as to what constitutes all-around leadership that is intellectually honest as well as realistically sound?





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# What's your comeback?

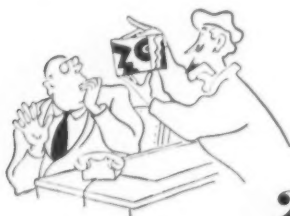
## STRATEGY TEST FOR SALES MANAGERS—



What are your first words when you first hear of these situations?

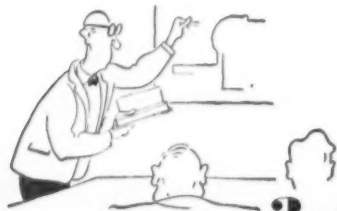
### 1. Your Chicago distributor reports a bad epidemic of substitutionitis.

- a. "Who's got an aspirin?"
- b. "Get our lawyers on the phone!"
- c. "We'll have to cut the price."
- d. "I think I need a vacation."
- e. "We'll stop it fast with some color pages in the Tribune."



### 2. For technical reasons the package design of your best Chicago seller must be changed.

- a. "This is no time for joking."
- b. "I've got it—a contest!"
- c. "You'll never get it across to the public."
- d. "I won't be responsible for the results."
- e. "Okay, we'll smack the new one across with color in the Tribune."



### 3. The research staff suggests a new product.

- a. "Our line is too big now."
- b. "The dealer resistance will be terrific."

- c. "What you boys need is a little practical experience."
- d. "We'll lose our shirt the first year."
- e. "We'll launch it in Chicago with Tribune color."



### 4. Seasonal conditions favor the Chicago sale of your type of product.

- a. "Let's see—what did we do last year?"
- b. "Anybody got an idea of what the competition is going to do?"
- c. "Have we remembered to remind the salesmen?"
- d. "Who's got the dice?"
- e. "We'll lap the field with these color pages in the Tribune."

**FOR THE SOLUTION** of your sales problems in the Chicago market, consider Tribune color. Color gets attention faster, holds it longer. It gives an advertisement more opportunity to create desire and to start buying action. Tribune newsprint color permits you to show your product as it is, to present your label or package in a memorable way, to give your message a distinctive appeal which lifts it above competition. To launch a new product or to spur the sale of an established one, Tribune color is available every day of the week, at rates per 100,000 circulation which are among the lowest in America. For a faster, more effective approach to the families who read more than 1,000,000 copies of the Tribune every day of the week, ask your advertising counsel—or a Tribune representative—to give you complete information.

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